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ECLA EXPERTS BLAME U.S. FOR ECONOMIC CRISIS

PY032149 Madrid EFE in Spanish 1550 GMT 3 May 85

[Text] Santiago, 2 May (EFE) -- Brazilian economist Maria Concepcion Tavares today stated at the ECLA seminar on the economic crisis and development in Latin America and the Caribbean that Latin America is inexorably subordinate to the United States. The seminar, which began on Monday and will close today, was organized by ECLA and is being attended by more than 80 experts from throughout Latin America and the United States.

According to the Brazilian economist, the United States has received in 5 years more money than it invested in the last 20 years. She added that it has exerted ironclad control over Latin America, especially over Mexico and the Caribbean, because he certainly is not a Brazilian, taking into account the loss of our president and the size of our foreign debt, she added. Professor Tavares made the earnest ECLA experts laugh when she pointed out that "the problems of countries like Brazil remain unsolved despite the fact that we have been exporting like mad."

U.S. economist Norman Bailey lashed out at the U.S. Treasury Department for upholding the theory that the debtor countries are largely to blame for the crisis and that the market would work everything out, as well as for refusing to discuss any course of action other than austerity. Bailey expressed his opinion that austerity is necessary, because the debtor countries were indeed partly to blame for the crisis, but austerity alone gets one nowhere unless it comes together with development. Bailey added that Latin America does not know much about what is going on in the United States, where there are 130 think tanks dealing with Latin American problems, while in this region there are only 2 that concentrate on the United States, 1 in Mexico and the other in Cuba.

Former Ecuadoran Economy Minister Germanico Salgado emphasized the lack of political will in Latin America to deal decisively with the foreign debt problem. This belief was shared by Latin American Economic System (SELA) Permanent Secretary Sebastian Alegrett, who pointed out that the only solution for the area is to make use of its markets, that is, to use them as levers to negotiate and not restrict itself to making declarations.

For his part, Osvaldo Martinez, director of the World Economy Research Center of Havana, Cuba, blamed U.S. politics for the regional crisis.

Seek Political Solutions

PY042328 Madrid EFE in Spanish 0209 GMT 4 May 85

[Text] Santiago, 3 May (EFE) -- ECLA experts have concluded that the Latin American and Caribbean debt calls for high-level political solutions. They arrived at this conclusion during a meeting held at the ECLA headquarters in Santiago.

This information was released today at the conclusion of the meeting by Uruguayan Foreign Minister Enrique Iglesias, the former ECLA executive secretary. On reporting the conclusions of the meeting on the Latin American and Caribbean economic crisis and development, which began on 29 April, Iglesias remarked that the region's debt calls for high-level political solutions through which the region may influence the forums where negotiations are held and decisions are made. Iglesias pointed out that the solutions must take into account the multiple interests and difficulties of the present, particularly the region's dependence on foreign countries.

The conclusions arrived at during the forum deal with five main areas. They are the existence of widespread international interests, the change in the relationship between center and peripheral countries, the debt burden, the need for new national projects, and the relationship between all these factors and the sociopolitical and institutional situation, Iglesias said.

The Uruguayan foreign minister stated that it is necessary to admit that there are close ties between Latin America and the United States within the context of the world market. He also stressed the need to strengthen South-South cooperation, so that it may become a dynamic factor that should mitigate the dependence that marks North-South relations.

Concerning new national projects, Iglesias said that they should neither overemphasize nor disregard the importance and strength of markets, and that Latin America needs more planning and more markets. The foreign minister stressed the importance of the state at an agent capable of promoting socioeconomic development and as a legitimate organization built up n equality and participation. He also pointed to the need to decentralize the state. Iglesias emphasized the relationship between democracy and development and stressed the need to find new formulas to strengthen democracy. Among other alternatives, he mentioned groups forming alliances.

ECLA Executive Secretary Norberto Gonzalez said that the region faces three challenges: how to reconcile adjustment and stability with reactivation and long-term objectives; how to adjust the development strategies to the differences between nations; and how to develop the new technology. Gonzalez added that it is also necessary to take into account the influence of military spending on the balance of payments, along with other economic indexes.

The conclusions of this forum will be submitted to a plenary session to be held by ECLA member countries in Buenos Aires in August.

View Arms Purchases

PY031825 Paris AFP in Spanish 1431 GMT 3 May 85

[Text] Santiago, 3 May (AFP) -- Experts who are participating in an ECLA seminar, on Latin America and the Caribbean, which is taking place in Santiago, have reported that Latin American countries spent $70 billion between 1980 and 1984 to purchase arms, thus worsening their economic crises and increasing their foreign debts. In 1980 Latin American countries spent $10.280 billion, $10.580 billion in 1981, $15.475 billion in 1983, and a similar amount the following year, said Chilean expert Luis Yanez, one of the lecturers on the subject. He added that in Central America alone the sustained increase of expenditures related to the arms race pushed the figure spent in 1984 above $3 billion.Yanez pointed out that this huge amount of $70 billion could have well been used to improve Latin America's production by spending it on new technologies.

ALFONSIN SAYS GOVERNMENT TO SEEK FISHING MARKETS

PY031730 Buenos Aires BUENOS AIRES HERALD in English 3 May 85 p 3

[Excerpt] Mar del Plata (NA-DYN) -- President Raul Alfonsin said yesterday that the government is prepared to defend the principle of the 200 miles of territorial waters and re-affirm Argentina's sovereignty in its own waters, where national companies should enjoy special privileges. The president made these statements in the course of a speech he delivered at the inauguration of the Luis Piedrabuena fishing school whose installations were donated to Argentina by the Japanese Government. Alfonsin expressed his gratitude to the Japanese Government for its gift which he said was further proof of the close links between the two countries. He also revealed that he expected the ties would be strengthened when he travelled to Japan next Novemeber.

Alfonsin said that Argentina's fishing industry was one of the pillars of this country's economy and he stressed that his government would assist as much as possible in obtaining export markets. He added that it was of vital importance that Argentina should have full jurisdiction over an area up to 200 miles from its coasts. Alfonsin said Argentine vessels must have priority fishing rights in this area and that the depredation of its fishing resources by foreign fishing trawlers must come to an end. The president said Argentina's fishing industry could be reactivated within a relatively short period of time but his could only be achieved if industrialists and workers amalgamate their efforts and carry out their respective tasks with a great sense of responsibility. "Argentina's fishing industry could easily double its present production and exports," he added.

AREA NATIONS, SPAIN TO GRANT 'BRIDGE LOAN'

PY032251 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1400 GMT 3 May 85

[Text] Buenos Aires, 3 May (NA) -- According to a news report published today, Spain, Mexico, and at least two other Latin American nations, in an operation led by the U.S. Treasury Department, will grant Argentina a bridge loan. The amount of the loan could not be disclosed, but it is estimated that it could be firmed up next month. According to the report, the loan reportedly will remain in effect until the IMF disburses the two remaining installments of the "standby" [preceding word in English] loan that are being withheld (the second and the third) for a total of 472.5 million in Special Drawing Rights, which according to yesterday's exchange rate amounts to $465.9 million.

AMBITO FINANCIERO, which published the report in today's issue, states that if everything goes well, the IMF money will be in Buenos Aires by June, and in July the banks will make the disbursements established in the contract for the renegotiation of the foreign debt.

One of the 23 clauses of the contract with the banks states, however, that the disbursement of the first installment will be made against the release of the second installment withheld from the IMF's "standby" loan.

The new timetable set by the foreign sector establishes the disbursement in June of the second and third installments of the "standby " loan, which amounts to $465.9 million.

In July, the creditor banks must release two installments of the credit that is currently being withheld awaiting the disbursement by the IMF, and which is made up of two installments, one for $3.7 billion for the public sector and another for $500 million to finance foreign trade operations, and which will be kept for 3 months in the Central Bank's treasury.

BANK CHIEF REPORTS ON PARIS TALKS, DEBT PAYMENTS

PY032332 Buenos Aires TELAM in Spanish 1504 GMT 3 May 85

[Text] Buenos Aires, 3 May (TELAM) -- Mario Brodersohn, head of the National Development Bank [Banade], has reported here that Argentina will today pay $50 million to its international creditors. Brodersohn, who arrived from Paris this morning, explained that this payment shows the continuous efforts the country is making to normalize its situation with the banks. He denied that this is the only payment Argentina has made. He stated that it made important payments not only at the end of last year but also in February, when we paid $500 million to cover amortization and the interest rate for foreign bonds. Brodersohn added that this has nothing to do with the decision as to whether or not to declare ourselves "substandard". There is no consideration in this regard, he stated.

As far as his trip is concerned, the Banade president said that he met with officials of the Paris Club to report on Argentina's situation and on the progress achieved with the IMF and the banks. He also revealed that he met with the president of the French Central Bank, Mr Camdessus, and concluded by saying: I consider it a productive visit, during which we found a great disposition to cooperate with Argentina.

20 PLANES TO BE SOLD TO 'EASTERN COUNTRY'

PY061902 Buenos Aires DYN in Spanish 1719 GMT 5 May 85

[Excerpts] Cordoba, 5 May (DYN) -- Cordoba Governor Eduardo Angeloz has revealed that Argentina "has closed a deal for the sale of 20 Pucara planes to an Eastern country," adding that "an option has been established for the sale of another 40 units." Governor Angeloz said that Argentina will receive $120 million for the sale, but did not disclose the name of the purchasing country.

FORMER PRESIDENT DENIES COUP COLLABORATION

PY020140 Buenos Aires TELAM in Spanish 1651 GMT 1 May 85

[Text] Buenos Aires, 1 May (TELAM) -- Former President Arturo Frondizi claimed yesterday that he is not a coupist and that he acts in defense of democracy, as he has always done in his long political career, and added that the country's situation is very serious and that he will continue to contact all sectors in the search for common viewpoints that can bring a solution to the problems affecting us. In a signed communique he distributed yesterday, Frondizi states that he will not cease his efforts to ensure that the violence that is re-emerging today may be eradicated from Argentina forever.

I am convinced, just as is the Integration and Development Movement [MID] that the existence of agreement among all sectors on fundamental questions depend on the solution of the crisis and the attainment of institutional stability, he said. The institutional stability will not be attained by abusing the Armed Forces. On the contrary, Frondizi, notes that stabilization will be attained by integrating the Armed Forces, without resentment, into a concrete and well-defined national plan. The absence of such a plan is conspiring against stability and peace.

Finally, the former president underscores that the analysis made by the MID and the evaluations he has personally made in Europe prove his assertion about the country's situation. The situation is serious, but we can pull ahead if the government changes the direction it has taken and issues a call for an effective national unity.

ALLEGED RIGHT-WING TERRORIST PLOT DENOUNCED

PY061914 Paris AFP in Spanish 1550 GMT 4 May 85

[Text] Buenos Aires, 4 May (AFP) -- The independent Buenos Aires weekly EL PERIODISTA today denounced a plot in Argentina seeking to escalate threats and to culminate in a bloodthirsty day of attacks against nearly 500 people. The weekly states that it has very accurate information on the activities of isolated putschists who are responsible for the attacks and threats that are disrupting the country. EL PERIODISTA recalls that there have been more than 300 incidents of political violence since December 1983 (when the current constitutional government headed by Radical Civic Union [UCR] President Raul Alfonsin assumed power).

EL PERIODISTA states that according to its sources, Peronist right-wing sectors and important military men from the former de facto regime have planned the terrorist actions that reportedly are to culminate on St Batholomew's night in simultaneous operations, including bomb attacks. The operation is named "Light Blue and White Night" (the colors of the Argentine flag), the weekly states.

The conspirators have drafted a list which up to last week included 473 people, among them outstanding UCR leaders, union leaders, Peronist leaders from the renewal sector, democratic military men, representatives from the church's most progressive trend, and some 40 newsmen. The weekly states that the newsmen are the conspirators' primary target and that the list is headed by newsmen from Radio Belgrano (which was the target of two attacks this week), the newspaper LA RAZON (whose deputy publisher is Jacobo Timmerman), and EL PERIODISTA. The political objective of "Operation Light Blue and White Night" is to provoke a disturbance of such magnitude that it forces certain nationalistic trends within the Army and the Air Force to take a stand, the weekly states.

EL PERIODISTA adds that the people who have masterminded the operation are seeking to prompt at least a Bordaberrization (referring to Uruguayan President Juan Maria Bordaberry, who in 1973 overcame a military coup through an agreement that allowed him to maintain certain power) of the democratic process by arresting Alfonsin, although initially preserving the formal institutional framework.

According to the weekly's sources, the conspirators have reportedly stated that some 200 armed and well-trained men are needed for an action of that caliber...and we have them. EL PERIODISTA reveals that among the plotters is the Iron Guard group [Agrupacion Guardia de Hierro], which it defines as an ultramontane organization with fascist ideas disguised behind nationalistic banners, whose supporters believe that Peronism has given all it could and no longer offers sufficient conditions to hold power within a nationalistic right-wing perspective. This group has had contacts with several former military leaders, especially with General Leopoldo Galtieri (who was the president during the Malvinas war in 1982), General Luciano Menendez, and former Buenos Aires Province Police Chief General Ramon Camps (the latter two have been charged with violating human rights). According to the conspirators, Galtieri offers them a nationalistic banner to fly over the open wound of the Malvinas war while the other two are the best examples of the unpatriotic struggle against subversion.

All these plans, vis-a-vis the Interior Ministry's passivity and negligence, were concocted in the reading hall of the military hospital in Cordoba where Gen Menendez is currently under arrest, the weekly states.

GOVERNMENT CRITICIZES U.S. NICARAGUAN EMBARGO

PY070325 Porto Alegre Radio Guaiba in Portuguese 0251 GMT 7 May 85

[Text] In a note released today, Itamaraty states that the Brazilian Government has been following with extreme concern the aggravation of the Central American situation.

Without mentioning the U.S. trade embargo against Nicaragua, the note states that Brazil does not support the adoption of unilateral measures that are not in keeping with the principles of international law.

The note states that in line with its respect for the principles of self-determination, the peaceful solution of controversies, and noninterference, Brazil reaffirms its support of the Contadora Group's efforts.

In the face of a possible deterioration of U.S. coexistence [as heard], the Brazilian Government renews its appeals for peace and urges all states involved in the Central American crisis to seek a negotiated solution to their disagreements.

SAO PAULO METALWORKERS TO CONTINUE STRIKE

PY060354 Paris AFP in Spanish 1432 GMT 5 May 85

[Text] Sao Paulo, Brazil, 5 May (AFP) -- The powerful Sao Paulo metalworkers union today decided to radicalize the strike they have been holding for the past 24 days in demand of an 8-hour decrease in their work week and salary increases through the occupation of car factories and the continuation of the strike, which has resulted in losses surpassing $300 million.

A metalworkers union spokesman told AFP that the decision to continue its strike, while other unions have decided to lift theirs, was adopted during an assembly that 10,000 union workers held at a stadium in Sao Bernardo do Campo, the site of the most important car industry center.

Jair Maneguielli, the metalworkers secretary general, said that we shall continue the strike no matter what, even if it means more firings and arrests and even deaths.

The union leader's speech was followed by the occupation of factories by the Sao Caetano do Sul metalworkers.

The metalworkers decision to continue the strike marks a radicalization of the tense atmosphere that has prevailed for the last few days as a result of a series of strikes that have been called by the civil aviation, railroad, metro service, post office, and electricity workers. The strikes called by aviation company workers, railroad workers, and others were suspended after agreements containing salary increases were reached.

Brazilian President Jose Sarney has noted that his government will not tolerate anarchy, and the Sao Paulo government has charged that agitators have infiltrated the labor conflicts.

During an assembly, political-union leader Luis Inacio da Silva, Lula, denied the charges raised by the Sao Paulo government and charged that the leftist socialist convergence group is responsible for promoting radical attitudes within the labor movement.

Lula said that the recent occupation of the General Motors factory, the establishment of metalworkers militias, and the taking of 370 hostages from among the management of Sao Jose dos Campos was great foolishness promoted by the leftist socialist convergence, which follows a Trotskiyist line.

Moreover, Claudio Bardella, the vice chairman of the Sao Paulo State Federation of Industries, has noted that the Brazilian business sector fears that the strikes will lead to anarchy.

While the metalworkers strike enters its fourth week, Brazil gradually began to normalize its air and metro transport system after workers in these sectors decided to end their strikes.

However, prospects of solving the metalworkers strike seem remote in view of management's refusal to decrease the work by 8 hours and to grant salary increases every 3 months, instead of twice a year, but without transferring this cost to the prices for products.

PMDB SUPPORTS 4-YEAR TERM, DIRECT ELECTIONS

PY061630 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 6 May 85

[Text] Here in Sao Paulo Ulysses Guimaraes has refuted reports saying that the Brazilian Democratic Mobilization Party [PMDB] does not want direct presidential elections, giving this explanation: Our commitment has always been for a 4-year presidential term.

[Reporter Bahia Filho] The national president of the PMDB and the Federal Chamber of Deputies, Deputy Ulysses Guimaraes, has refuted reports saying that the PMDB and the Democratic Alliance are betraying the commitments made to the Brazilian people in the public plazas by rejecting immediate, direct presidential elections. According to Guimaraes, the Tancredo Neves commitment was to a 4-year term for President Jose Sarney, followed by the reestablishment of direct presidential elections as demanded by the people.

[Begin recording] [Guimaraes] In electing Tancredo Neves, we had assumed the commitment to respect his term and to give him time to govern, electing him to solve problems. This is fundamental. We have said this very clearly and we have not changed our mind. We no longer have Tancredo Neves but we have Jose Sarney and are responsible for his government. The country has many problems, some of which have resulted in strikes. The strikes are legal but reveal dissatisfaction. We have the problem of interest rates and many other problems that must be addressed. We have the commitment to elect the next president through direct elections for a 4-year term. This is the PMDB position.

[Bahia Filho] Has the thesis of reducing the mandate of President Jose Sarney been analyzed?

[Guimaraes] The thesis is that the presidential term should last 4 years. Incidentally, Tancredo Neves had agreed with this. Jose Sarney agrees with this and so do we.

[Bahia Filho] What can you say about the movement for direct elections now?

[Guimaraes] In a democracy everyone has the right to adopt a position. We hold no monopoly. We only have a proposal and will stand behind it. [end recording]

PT PROGRAM DISCUSSES DIRECT ELECTIONS, UNEMPLOYMENT

PY07023? Brasilia Domestic Service in Portuguese 2200 GMT 6 May 85

[Introductory statement by Workers Party, PT, President Luiz Inacio da Silva, in 60-minute PT program broadcast over a national radio and television network -- live or recorded; location not given]

[Text] Listeners and television viewers: The PT has met here to present some proposals to the Brazilian people. These proposals affect the institutional and social areas.

Things are more or less on the right course in the institutional area. We are struggling for a direct balloting system for the election of mayors in the capitals. We are struggling for the convocation of a national constituent assembly that should establish the length of the presidential term as well as a structure for our society on the basis of the rights and duties of the people and of the state.

However, our main concern, which we want to discuss with the Brazilian people, centers around the social area. We are being hit by unemployment and land and housing shortages. The PT has come here to discuss the land reform issue and to present specific proposals to the new government and the Brazilian people. We have specific proposals to solve the unemployment problem. We have impartial proposals on new labor laws, on labor union freedom, and on the right to strike. Without these things, Brazil will not be a democratic country. The attainment of these goals is extremely necessary if we want to be on the course toward true democracy.

This is why the PT would like you to participate, even if it is only to criticize our proposals. We believe that only if the people are allowed to speak and to say what they want, how they want it, and for which purpose they want things will Brazil become a truly democratic country.

That is why the PT is conducting this program, in the hope that we can strengthen the organization of the working class and of Brazilian society, with a view toward building a better future for the Brazilian people.

FOREIGN MINISTER ON INTEGRATION WITH ARGENTINA

PY061950 Santiago Domestic Service in Spanish 1730 GMT 6 May 85

[Excerpts] The pope will possibly visit China next year. This was announced by Foreign Minister Jaime del Valle when he arrived in Santiago after participating in the ceremony to ratify the peace and friendship treaty with Argentina. Foreign Minister del Valle added that he held intensive meetings with his Argentine counterpart, Dante Caputo, in order to study the mechanisms of integration between the two countries. He reported that binational commission will be created for which a set of regulations will be implemented.

[Begin Del Valle recording] [Passage indistinct] a meeting in the afternoon after the ceremony. We reached some agreements that I believe are interesting. We will do everything to ensure that the binational commissions start functioning as soon as possible. We talked about the implementation of this, and probably regulations will also have to be written (?regarding) the appointment of the members from each country. [passage indistinct] [end recording]

Del Valle said that the commission might start working before the 6-month term stipulated in the treaty. He added that it is of basic importance to achieve physical integration between the two countries as soon as possible. [passage indistinct]

[Begin Del Valle recording] Several concrete integration projects are under way. I cannot say anything about them, because almost all of them are private, but I expect each participating sector to make an announcemnt. [end recording]

In conclusion, Del Valle announced that next week he will go to Paraguay at the invitation of the government of that neighboring country. At the beginning of June he will go to South Korea.

SUPREME COURT REJECTS U.S. EXTRADITION REQUEST

PY070244 Santiago Domestic Service in Spanish 2300 GMT 6 May 85

[Excerpt] The Chilean Supreme Court has rejected an extradition request that was submitted by the U.S. Government against the former Honduran military attache to Chile, General Jose Bueso Rosas. The U.S. Government requested Bueso's extradition on charges that he took part in a plot to oust Honduran President Roberto Suazo Cordoba. However, Supreme Court Judge Rafael Retamal has rejected this extradition request in the first instance.

GOVERNMENT TO CLAIM 350-MILE EASTER ISLAND LIMIT

PY021730 Madrid EFE in Spanish 0307 GMT 2 May 85

[Text] Santiago, Chile, 1 May (EFE) -- According to official government sources, Chile will proclaim sovereignty over the 350 nautical miles of the continental shelf off Easter Island.

Frenando Gamboa, director of the Chilean Foreign Ministry Policy Department, noted that Chile will enforce this right in keeping with the new Convention of the Sea signed in 1982 by about 130 countries. Gamboa added that the new Convention of the Sea will be enforced within the next 3 or 4 years once a minimum of 60 countries approves it. Gamboa noted that the continental shelf off Easter Island is filled with manganese nodules which, he said, are metallic pellets made up of mainly copper, zinc, and manganese. He added that multinational companies have begun to extract these nodules off the coasts of Mexico and the Galapagos Islands for experimental purposes.

Gamboa said that Chile will approve the Convention of the Sea in 1985 and that it will immediately proclaim sovereignty over the 350 nautical miles of the continental shelf off Easter Island.

SOCIALIST LEADER DISCUSSES OPPOSITION UNITY

PY260210 Madrid EFE in Spanish 1030 GMT 25 Apr 85

[Text] Madrid, 25 Apr (EFE) -- Clodomiro Almeyda, former minister of foreign relations under Salvador Allende's administration and secretary general of the Chilean Socialist Party, today said in Madrid that he feels that it will be difficult for General Pinochet to remain in power until 1989. Almeyda is in Madrid to organize a congress of Chilean socialists living in exile in Mediterranean countries and to participate in the ceremonies marking the 52d anniversary of the Socialist Party.

Almeyda held a press conference at which he reiterated that Pinochet's regime has lost legitimacy and is facing opposition from within. He indicated that the Chilean dictatorship draws support from 15 percent of the citizenry, but these staunch supporters would mean nothing without the backing of the Armed Forces.

Almeyda went on to criticize U.S. President Ronald Reagan's Latin American policy because it "seeks to curb and control the process of democratization launched in most of the Latin American southern cone." He added that "mistakes are being made, especially in Central America, but the Latin American response to this process leaves room for optimism."

As to the situation prevailing in Chile, Almeyda explained that the soaring repression "with tragic overtones" has united the opposition which had to that point undertaken no joint actions. He added that the growing unity of action of the forces that oppose the dictatorial regime has been encouraged by the society "whose antagonism toward Pinochet has been growing more and more all the time." Almeyda pointed out that social protests have given rise to political agreements because initially the parties had acted unilaterally and without following a common strategy. The lack of unity among opposition parties allowed Pinochet's regime to claim that "it's either us or chaos" because on the other side nothing seemed to be sufficiently organized to restore democracy in the country. "The dirty war that began in Chile with the complicity of paramilitary groups supported by government sectors has backfired," Almeyda said. He added that this "dirty war, involving the assassination of intellectuals and the declaration of the state of siege, has met with unfavorable reaction among progovernment supporters." The Chilean dictatorship is facing a critical situation, according to Almeyda, "because they see that in Argentina the advocates of repression are being tried."

Almeyda explained that the strategy of Chilean opposition parties is to show that they can act jointly, that they have enough strength to defend themselves through organization and joint actions. According to Almeyda, "Upon seeing the opposition joining forces, Pinochet has no choice but to step up repression which will lead to schisms within the government, schisms which can already be seen." Clodomiro Almeyda emphasized that antigovernment actions such as the October strike must be increased "because that strike was successful and forced the government to decree the state of siege."

CHIEF RABBI KREIMANN SEES UPSURGE IN NEO-NAZISM

PY302229 Santiago LA TERCERA DE LA HORA in Spanish 23 Apr 85 p 6

[Text] Chilean chief Rabbi Angel Kreimann yesterday held a press conference at which he voiced his concern over what he called "small outbreaks of neo-Nazism in our country."

He said that "we are worried by these small outbreaks of neo-Nazism in this country, 40 years after the defeat of Nazism itself. Swastikas have been painted on the walls of synagogues and other places. At the cemetery and in other public places, it has been possible to notice groups whose actions indicate the existence of these outbreaks."

The chief rabbi made these remarks after returning from the United States where he attended an international religious conference called by the U.S. Department of State and sponsored by the White House Institute for Religion and Democracy, the Judean-American Committee, the Antidefamation League of B'nai B'rith, and the "Jacques Maritain" Center at Notre Dame University.

ESTIVALES RESIGNS AS ANDINA COPPER UNION LEADER

PY302232 Santiage LA TERCERA DE LA HORA in Spanish 20 Apr 85 p 26

[Text] Hugo Estivales, well-known union leader of the Chilean Copper Corporation [Codelco], Chile Andina mine branch, submitted his resignation during the last assembly of the No 2 Union of the Andina mine, over which he presides. During this assembly, the union approved its reinstatement as a member of the Copper Workers Confederation [CTC], something which was fully supported by the resigning union leader.

Estivales told union members that he was "resigning his post because it is very difficult to carry out his duties due to the misunderstanding that exists between the government and employers on how these duties should be carried out." He urged the three El Teniente copper mine unions which at present are not members of the Copper Confederation to return to the confederation before its forthcoming congress on 27 and 28 April. Estivales said that the Copper Confederation belonged to Codelco-Chile workers and that no one could carry out any union activities from without, and that full labor unity should be achieved.

Although the members of the No 2 Union of the Andina mine division rejected Estivales' resignation, it will have to be studied in keeping with the laws at the next ordinary assembly, which will be held during the third week of May. In addition, Estivales is a member of the socioeconomic council, and was an adviser to the National Copper Confederation before his union decided to drop out of it. If he is retained as a union leader, Estivales should be confirmed in that post or appoint another representative to the CTC board.

SABOTAGE ACTS CAUSE BLACKOUTS IN SANTIAGO

PY030244 Paris AFP in Spanish 0142 GMT 3 May 85

[Text] Santiago, 2 May (AFP) -- Police sources have indicated that several blackouts occurred tonight in districts of greater Santiago, apparently caused by sabotage. Electricity was also cut for 10 minutes in Vina del Mar after several very strong explosions were heard. The blackout was general on the outskirts of the Chilean capital, which has 4.4 million inhabitants, while in the downtown area electricity fluctuated due to low voltage problems.

Prior to the blackout, several explosions were heard between the Quillota and La Calera sectors in Vina del Mar, 140 km northwest of Santiago, and another explosion was heard between Quintero and Ventanas, where a refinery of the National Oil Enterprise is located.

The authorities of the Chilean Electricity Company have not yet released a report on the blackouts.

M-19 SUSTAINS CASUALTIES; COMMANDER REPORTED ILL

PA031428 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 3 May 85

[Text] Bogota — 19 April Movement [M-19] rebels sustained 52 casualties during clashes against the Colombian Army in the Cauca Valley, today's issue of EL TIEMPO reported, citing military sources. The report also indicates that Gustavo Arias Londono, alias Commander Boris, one of the M-19's top leaders, is seriously ill and that the organization has brought a Mexican physician to Colombia to care for the rebel leader who led the bloody takeover of Florencia several months ago.

According to EL TIEMPO, which cites 3d Brigade sources, the M-19 leadership is divided and one of its leaders, Ivan Marino Ospina, is against the politicization of the armed group. The paper adds that the M-19 has staged several holdups of Bogota and Ibague drugstores in recent days, presumably to obtain medicine for Arias Londono.

M-19 CHARGED WITH FORCED RECRUITING OF YOUTHS

PA040008 Bogota EL SIGLO in Spanish 27 Apr 85 p 1

[By Eduardo Carrillo]

[Text] Yesterday security organizations denounced the fact that despite the peace agreements signed between President Belisario Betancur's government and the M-19, this organization continues to recruit youths throughout the country and that, in most instances, these youths are forced to join the ranks of the organization. Very reliable sources within these organizations responsible for the security of the state have reported that the M-19 has been distributing pamphlets, banners, and leaflets and painting murals calling for patriotic military service within the ranks of subversion.

It was also learned that this situation has caused much concern among the military high command because the recruiting of youths and students is being done mainly among peasants.

According to the official charge made yesterday, the M-19, in its leaflets, is calling all youths born between January 1967 and 31 December 1968 to join its ranks. According to the sources consulted, the Departments of Cauca, Huila, Caqueta, Santander, and Antioquia are the most affected by the subversive recruiting. Every day in Cauca Department hundreds of parents ask the military and police authorities for protection because the guerrillas are forcing youths to join their ranks. In the charges made before the authorities, the parents say that "the students are taken by force to train in the mountains."

It was learned that the Army and National Police are adopting new security measures to prevent the leftist guerrillas from taking youths.

BRIEFS

M-19 PRESS AGENCY -- The M-19 has founded its own press agency. It is called OIGA, HERMANO [LISTEN, BROTHER] which was the title of a book published several years ago by Jaime Bateman, founder of the group. The book dealt with Bateman's experiences in the guerrilla movement. [Text] [Bogota EL SIGLO in Spanish 3 May 85 p 3 PA]

TERAN REFUSES TO COMMENT ON U.S. EMBARGO

PA031752 Hamburg DPA in Spanish 1725 GMT 3 May 85

[Text] Quito, 3 May (DPA) -- The Ecuadoran Government asserted today that the U.S. trade embargo against Nicaragua, announced on Wednesday by the Reagan administration, is a bilateral issue "that involves relations between those two countries." Asked about Ecuador's position on the embargo, Foreign Minister Edgar Teran refused to comment because, he said, "that subject concerns the United States and Nicaragua."

Since August 1984, when President Leon Febres Cordero took office, Ecuador has maintained its relations with Nicaragua at a low level, with only a charge de'affaires heading its embassy in Managua. However, 2 weeks ago the Foreign Ministry announced the appointment of an ambassador to the Sandinist government.

In contrast to the government's silence, the Ecuadoran Congress today issued a communique rejecting the U.S. trade embargo against Nicaragua which it feels "violates the Nicaraguan people's sovereignty." The communique, signed by the leaders of the opposition parties parliamentary blocs which constitute a majority in Congress, adds that "the economic and trade blockade violates the principles of international law and is in opposition to the norms for coexistence among nations."

Other political and social sectors, as well as the news media, have also criticized the embargo and expressed their solidarity with Nicaragua.

ANNOUNCEMENT ON APPOINTING ENVOY TO NICARAGUA

PA031535 Quito Voz de los Andes in Spanish 1130 GMT 3 May 85

[Excerpt] The Foreign Ministry's Press and Information Office announced that the national government has decided to appoint Patricio Maldonado head of the diplomatic mission in Managua, Nicaragua. It indicated that the Nicaraguan Government has issued its approval of the appointment. Patricio Maldonado has been director general of technical cooperation and economic promotion of the Foreign Ministry.

LABOR DAY CELEBRATED WITHOUT INCIDENTS

PA021547 Quito Voz de los Andes in Spanish 1130 GMT 2 May 85

[Text] Yesterday, labor leaders stressed the unity of the country's working class during a large rally at San Francisco Square at the end of a march through Quito's streets in celebration of International Labor Day. The workers march began in El Ejido at 0900, passed through the city's main streets, and ended at San Francisco Square with a rally in which union leaders spoke. The participants in the march organized by the United Workers Front [FUT] carried placards and signs with Labor Day slogans and criticisms of the government and international organizations.

The march lasted almost 2 and 1/2 hours; no incidents were reported. The police remained vigilant but did not need to act at any time. A platform was erected in San Francisco Square from which the labor leaders spoke. They criticized the government's economic and social policies and stressed the working class' unity. They indicated that the march was one of unity and of denunciation and condemnation of the government's actions. Our presence in the streets, they added, shows the workers permanent support for the FUT's program of struggle. Bolivar Bolanos, president of the FUT and the Confederation of Ecuadoran Workers, urged the workers to participate in the struggle with determination to destroy the prevailing system in order to build a new society.

AFP BUREAU REPORTEDLY SUBJUGATED BY REGIME

PY041545 Paris AFP in Spanish 1901 GMT 3 May 85

[Text] Paris, 3 May (AFP) -- French Communist Senator James Marson today stated that the AFP bureau in Paraguay is completely subjugated by the dictatorial regime in Paraguay.

Referring to reports published by the newspapers L'HUMANITE and LE MONDE, the Communist senator stated at the French parliament that the AFP bureau in Paraguay is managed by persons who belong to the upper power echelons and that the current AFP bureau chief in Asuncion is the leader-writer of the dictator's newspaper and radio station.

Secretary of State to the Prime Minister for Communications Georges Fillioud has said that he has no power or control over AFP which, according to its statutes, enjoys complete independence from the French Government.

Fillioud stated that the AFP bureau in Buenos Aires is charged with disseminating the reports originated in Paraguay. The AFP bureau in Buenos Aires is managed by a French journalist and operates under the conditions appropriate to a democratic country.

I can add that all AFP dispatches are received in Paris where they are submitted to strict professional handling, the French minister stated at the parliament.

The political situation in Paraguay is of such a nature that the work conditions there are unique, Fillioud added.

Moreover, none of the journalists in that country are able to work in complete freedom; this is also the case in other Latin American countries, and also in some Eastern bloc countries, Fillioud said.

The AFP management at a national level is aware of such conditions and takes them into account to guarantee the objectivity of information, Fillioud added.

One can only wish for Paraguay that the dictatorship, which is dominating the people, will end, the French minister concluded.

For his part, the AFP general directorate has stated in Paris that the news coverage in Paraguay is under the direct responsibility of a regional directorate in Buenos Aires, a responsibility that is assumed by a French journalist sent from Paris.

It is up to that regional directorate first, and to the central editorial services in Paris thereafter, to watch for strict respect of professional standards in all the information originating from that country, the AFP general directorate in Paris added.

The AFP bureau chief in Asuncion, referred to by Senator Marson, is just a correspondent with strict administrative functions.

The journalist-correspondent function, which quite often encounters local recruiting difficulties, is currently being filled by a free-lance journalist, Hugo Ruiz Olazar.

Finally, the AFP general directorate voiced its surprise that Communist Senator Marson could assess that the presence of an AFP bureau in any country would be a guarantee for any regime.

BELAUNDE REGRETS U.S. EMBARGO AGAINST NICARAGUA

PY070345 Paris AFP in Spanish 0315 GMT 7 May 85

[Text] Lima, 6 May (AFP) -- President Fernando Belaunde Terry tonight stated he believes that the U.S. commercial embargo against Nicaragua is a mistake and that it is an extremely serious measure. He added: I regret that things had to reach this point, but I most fervently hope that through the efforts made by the Contadora Group and by other sectors, a harmonious agreement can be achieved so that the sister nation of Nicaragua can overcome the serious situation it is presently facing.

The president made this statement during a press conference held at the Presidential Palace in Lima in response to a journalist's question regarding the U.S. decision. I think it is a mistake, that it is an extremely serious measure...especially because it will affect the standard of living and perhaps the survival of a sister country, he answered.

Belaunde explained, however, that this does not mean that I adhere to ideologies other than democracy, which I defend. It is an absolute shame, he stated, that the world is divided by superpowers: the democrats who with their capitalistic system commit abuses, and the totalitarians who repress freedom. Therefore, I believe, he added, that our position must be equidistant, without denying that we are linked by common democratic ideals we all profess for the sake of liberty, which for me is an essential living conditions.

ALAN GARCIA VIEWS U.S. POSITION TOWARD NICARAGUA

PY061345 Lima Cadena PanamericanaTelevision in Spanish 0230 GMT 6 May 85

[Excerpt] The future president of the nation, Alan Garcia, reiterated today that he will support the Electoral Court decision regarding a runoff. The young American Revolutionary Popular Alliance [APRA], leader made this statement after visiting the mothers clinic where his wife just had their fourth daughter, Luciana Victoria.

[Begin recording] [Garcia] I would simply say that my party and its candidates will abide the decision of the Electoral Court, because the Constitution grants the court autonomy to judge such cases requiring interpretation of the law. I am willing to go into a runoff, because I want an unquestioned victory from the people, a victory which is not mine or my party's, but of a proposal for change, the victory of hope, the victory of those who want to see the country led in a different way, not only by those who voted for APRA, but many other citizens who saw the need for change and, after 14 April, the possibility of a new government. I don't want to disappoint all these people. I just want to say that I am willing to accept a new contest so no one can say that the victory of all the Peruvian people is illegitimate.

[Reporter] I don't know whether this question has been asked before, but I would like you to answer it. The question refers to Central America. What is your opinion about the decision President Ronald Reagan has made regarding Nicaragua?

[Garcia] As I told the foreign journalists, I believe that the Reagan administration is seriously wrong about Latin America. First, the obsession about Central America, that is, everything is seen in the mirror of Nicaragua and El Salvador, disregarding the fact that Latin America is bigger and that Peru, which is part of it, is also important.

Second, the belief that the hands of the Soviets are behind any social problem in Latin America, Nicaragua in this case. In that country a revolution displaced the Somoza dynasty, and to think that the Soviets are behind this is the second mistake of the U.S. Administration. Third, the use of coercive measures such as an economic and trade embargo is condemned by all countries of the world.

Sovereignty and self-determination, whatever the path taken by each country, are issues the people must decide in their own way. I once said that no one should demand the Nicaraguan democratization process comply with all the rituals and perfection of other democracies. Nicaragua is having birth pangs. It is going from a harsh dictatorship into a democracy by the efforts of its people. If the democracy is not complete, if errors are being committed by the men of the Sandinist government, this is a different problem. The fundamental question is that the Nicaraguan democracy represents a change, and that the will of the Nicargguan people must be respected. This cannot be answered with draconian measures, even if one thinks that the Nicaraguans are wrong. This cannot be answered with measures that remind us of the big stick policy the U.S. Government implemented in Central America early in this century.

LT GEN MUNOZ REPLACES PIP CHIEF BALLESTEROS

PY021407 Lima Radio del Pacifico in Spanish 1300 GMT 2 May 85

[Text] Lieutenant General Mario Munoz Malaber is the new director general of the Peruvian Investigative Police [PIP]. The decree appointing General Munoz was published in the official newspaper EL PERUANO.

Munoz Malaber is replacing General Rodolfo Ballesteros Cuevas who resigned in the wake of the attack on Electoral Court President Domingo Garcia Rada.

4,000 PETROPERU WORKERS BEGIN STOPPAGE IN TALARA

PY061420 Lima Radio del Pacifico on Spanish 1300 GMT 6 May 85

[Text] Talara -- Today, 4,000 State Petroleum Agency [Petroperu], workers started a full-scale stoppage at the regional level, demanding that Petroperu trade union Interior Secretary Eulogio Leon Farias, who ran for a [word indistinct] for the United Left, be immediately reinstated. This unanimous decision was made during a special general meeting held at the trade union's offices. The meeting was presided over by Secretary General Amadeo (Aldo Santos).

Leon Farias was dismissed by Petroperu 11 days ago on the grounds that he had exceeded the leave of absence granted by the enterprise, which reported that the union leader had asked for a leave of absence to campaign for the elections, exceeding the allotted leave period by 4 days [words indistinct].

COMMUNIQUE DEPLORES U.S. EMBARGO AGAINST NICARAGUA

PY061825 Madrid EFE in Spanish 1732 GMT 6 May 85

[Text] Montevideo, 6 May (EFE) -- The Uruguayan Government today deplored the U.S. embargo against Nicaragua because it undermines the efforts being made by the Contadora Group and asked that the Manzanillo bilateral dialogue be resumed.

A communique released today in Montevideo says that the government headed by President Julio Maria Sanguinetti has reiterated its strong support for politically negotiated solutions within the Contadora Group proposal, which respects international law and the principles of nonintervention.

The communique also calls for respect of the commitments that the states have assumed on these questions in the forums of the United Nations, the Organization of American States, and others.

Adhering to those principles, the communique says, the Uruguayan Government deplores the economic sanctions that have recently been imposed on Nicaragua by the United States, because they undermine the peace efforts being made by the Contadora Group.

Lastly, the Uruguayan Government makes a vigorous and urgent call for the resumption of the Manzanillo bilateral talks and the prompt implementation of the Contadora Group's proposals.

AGRICULTURE MINISTER ON MEAT, RICE EXPORTS TO IRAN

PY061515 Montevideo Radio El Espectador Network in Spanish 1000 GMT 6 May 85

[Excerpt] Agriculture and Fishing Minister Roberto Vazquez Platero has confirmed in Bella Union that a deal with Iran, regarding the export of meat, rice, and other products, has been closed.

Vazquez Platero, who attended the San Luis festivities, stated that the established prices were lower than desired, but conform to international market prices, especially those for meat.

NICARAGUAN DEPUTY MINISTER ON U.S. EMBARGO

FL061858 Mexico City NOTIMEX in Spanish 1500 GMT 6 May 85

[Text] Mexico City, 6 May (NOTIMEX) -- The U.S. economic blockade against Nicaragua violates a series of international agreements of the OAS and other international institutions, said Francisco Lacayo Paragor, Nicaraguan deputy minister of culture. On his arrival in Mexico City on 4 May, Lacayo Paragor said the embargo demonstrated the United States' political arrogance and its interest in destabilizing the Sandinist government.

He indicated that the blockade for a large part affects the areas of medicine and energy as well as agriculture. In the area of medicine and petroleum refining, he commented that Nicaragua does not have the necessary machinery to be self-sufficient. Another serious consequence of the U.S. blockade is the halting of agricultural exports of which the United States purchased 20 percent.

Lacayo Paragor emphasized that notwithstanding, his people will confront the war of hunger. Nicaraguans are sure that right and justice will take precedence over violence.

SOVIET AMBASSADOR WARNS AGAINST BLOCKADE

FL061422 Mexico City NOTIMEX in Spanish 0335 GMT 6 May 85

[Text] Mexico City, 5 May (NOTIMEX) -- Soviet Ambassador to Mexico Rostislav Sergeyev said today that the only way to solve differences between two nations is through dialogue and negotiations, not through the use of blockades or embargoes. Interviewed at the Mexico City airport, where he was seeing off a Soviet delegation, the diplomat pointed out that in times of crisis, it is fundamental to prevent a third world war, which would be fatal for humanity.

He said the ideology that one state or another might profess should not be allowed to control a nation's foreign policy because times have changed and military technology is now very advanced.

Sergeyev stated that in the disarmament talks scheduled for later this month, the Soviet Union will explain to the United States that the idea of putting a military defense system in space will not benefit the Americans, the Soviets, or humanity. Nevertheless, he warned, the socialist governments will not under any circumstances permit a U.S. blockade, or the upsetting of the military balance because that is the only guarantee that the United States will not use force against other countries.

The ambassador expressed confidence that in the medium term an understanding will be reached on disarmament matters because it is obvious that there is no reasonable alternative to dialogue and negotiations.

EL DIA: U.S. USES OTHERS AS SCAPEGOAT FOR DRUG PROBLEM

PA040422 Mexico City EL DIA in Spanish 29 Apr 85 p 5

[Article by Hector Ramirez Cuellar: "The Drug Empire" -- passages between slant-lines published in boldface]

[Text] The arrest of two of the main leaders of the drug trafficking trade has brought to the surface a mechanism that destroys life, characteristic of the capitalist system, in which the sole objective is to make as much money as possible in the shortest possible time, despite social repercussions. Aside from breaking the law, those who are involved in the trafficking of drugs commit an even greater crime: they destroy the hopes and the prospects of thousands of youths.

In several Latin American countries -- Colombia, Bolivia, Peru, Ecuador, Mexico -- large areas of the land are used to grow marijuana, coca, and poppy. Why? /Because on this same continent -- to the north -- we find the biggest market in the world, the U.S. market./ According to data provided by U.S. sources, there are 20 million people who use drugs; of these 20 million, at least 1 million are drug addicts, and /every day 5,000 people are introduced to cocaine./ Marijuana has been smoked indiscriminately by youths for many years, and now, they are moving toward the consumption of "stronger" drugs.

According to official records, more than 15,000 tons of marijuana, 4 tons of heroin, and 70 tons of cocaine are introduced into the United States each year. The main centers of consumption are New York, Los Angeles, San Francisco, and Miami. A kilo of cocaine may cost up to $500,000, a figure that can give you an idea of the enormous economic gains its distribution represents.

Why are there so many drug addicts among U.S. youths? /The U.S. has a high material standard of living, however, from historic and social standpoints it has no prospects./ Imperialism's citizenry is experiencing crises, uncertainty, and aggression, which lead many youths to lose hope for a better future. The fear of a nuclear war, automation of industries, manifestation of services [as published], alienating advertising, unemployment, and divorce are factors driving thousands of youths to lose themselves in bitterness and frustration as they face a tragic reality they neither want to nor can face in a revolutionary manner.

Colombia produces 8,000 tons of marijuana a year, which represents 59 percent of the total amount consumed; Jamaica, 13 percent; Mexico, 9 percent; other countries, 8 percent, and the United States 11 percent. /These figures reveal that our country's share has been exaggerated for political reasons and that the real producers have been ignored. Even in U.S. territory more marijuana is grown and harvested than in Mexico, a fact the Yankee authorities are trying to hide or downplay.

A large part of the marijiana production coming from the already mentioned Latin American countries does not reach the United States /via Mexico/ but rather by sea. Therefore, the claim that our country servies as a gateway for all those tons of marijuana is outlandish. The facts speak for themselves: In 1983, Colombia supplied 75 percent of the cocaine consumed in the United States, while Peru and Bolivia each supplies 10 percent. The Drug Enforcement Administration [DEA] should center its attention on that and should stop trying to make Mexico the "scapegoat" in order to downplay the responsibility of other countries.

In Latin America 8,492 individuals have been arrested and 38.607 kilograms of various kinds of drugs have confiscated in the fight against drugs. The value of drugs seized in 1984 rose to $4 billion. Our country has made great strides to destroy poppy fields: In 1984 it confiscated 35,000 tons of marijuana and 25,000 tons of cocaine. These actions notwithstanding we have just scratched the surface of this criminal trade. /Mexico could continue destroying these plantations, but that would be meaningless if the drug market continues expanding in the neighboring country, as is unfortunately the case. Where there is demand, there is supply./ Although trafficking is a dangerous "business," it is also very lucrative. Since the payments are made in U.S. dollars, when that money is converted into the corresponding local currency the profits are very high, hence the great power to corrupt police and political circles.

So long as the United States does not shake up -- even if only partially -- the structural causes that drive youths to use drugs, the distribution network, despite changes in places and individuals, will continue operating in the most diverse manner.

The DEA must take a closer look at what is happening in its own country rather than what should happen in ours; we must destroy Mexico's domestic drug network as well as the U.S. networks. Mexican kingpins Caro Quintero, Don Neto, and others were arrested, and their bosses in the United States must be arrested as well. Mexican drug traffickers are just one link in the international chain: The major bosses and distributors are found within Yankee economic and political circles.

ECONOMY SHOWS UPWARD TREND IN 1984

PA261954 Mexico City EL DIA in Spanish 22 Apr 85 p 8

[Text] The Annual 1984 Implementation Report on the National Development Plan (PND), which was issued by the Secretariat of Programming and Budget (SPP), stated that the evolution of the Mexican economy in 1984 confirmed the country's capability to overcome the most serious aspects of the crisis. However, the adjustment process is not yet over. We must maintain discipline and further implement the strategy to overcome problems that still persist.

The document stated that price increases showed a slowing down, while the country's gross national product increased to 3.5 percent. This recovery was brought about by a reactivation of private investment, a greater availability of financial resources from the private sector, increased consumption and exports, and a slight increase in public investment.

The SPP reported that the economy's active labor force grew by 2.7 percent in 1984 due to newly created sources of permanent and temporary productive jobs, in the urban as well as the rural areas. In addition, actions to support the productive sector, especially those companies most affected by the crisis, were consolidated. The rechannelling of the public debt toward the domestic market helped the productive sector the most.

ARDITO BARLETTA SWEARS IN NEW CABINET

PA062045 Panama City Radio Continente in Spanish 1900 GMT 6 May 85

[Speech by President Nicolas Ardito Barletta at the ceremony to swear in new cabinet ministers at the Presidential Palace in Panama City on 6 May -- recorded]

[Excerpts] Messrs vice presidents, honorable president of the Legislative Assembly, Messrs ministers, comptroller, legislators, and friends of the National Democratic Union [UNADE]: I am very pleased to greet this new government cabinet. It is comprised of several persons who worked with me in the cabinet during the past 7 months and of a new group of dedicated Panamanians who believe in their country and who represent the UNADE parties that maintain an alliance to serve the Panamanian people and that want to contribute to resolving the country's current problems and promoting national development.

This cabinet strengthens the UNADE's political alliance, which is the country's greatest political force. It is comprised of persons chosen by our parties to implement the action program that I have offered the country in these difficult moments of national life to encourage hope and concrete achievements for the Panamanian people. In this way, our coalition of political forces is strengthened so that united in the public administration we will speed up the government programs already being carried out or begin new ones so that we may contribute, with all Panamanians, to ending the country's stagnation and to developing its potential with firmness and with a clear sense of national direction.

I am grateful for your support and constructive participation and that of the political forces of the UNADE parties that have united to form a government so that we can better serve the Panamanian people, to whom we are essentially commited. Our main concern is not only our people's well-being, but also their participation in the solution of their problems. As a political alliance that comprises the government, we have come to serve our people and not just to fill positions in a temporary or peremptory manner. We are implementing a style of government that is based on continual consultation with the various sectors of the national life in order to have them participate in the solution of our problems. We will work very closely with the Legislative Assembly, where our political alliance also has a clear majority and where there is a constructive attitude not only on the part of the legislators of our political alliance but also of other legislators who wish to contribute to national development to satisfy the Panamanian people's aspirations for the legislation that we need to activate national life. We are thus renewing a commitment to work, a commitment for action, a commitment for solidarity with our people to resolve immediately those problems that we can, and to hold an honest dialogue with the national life sectors regarding those problems that cannot be solved immediately but to which we can find solutions in the medium term with everyone's participation.

We have a program of action outlined in our government platform and our development strategy which is being implemented. Its foundations are simple but significant. First, we seek the recovery of the national economy to create the jobs that the Panamanian people require. Second, we seek to intensify and expand the well-being of our people throughout the territory, especially the poor in the urban and rural areas. We can achieve this with discipline and coordination in such difficult moments as these.

Our government program is being implemented in a clear manner. Our commitment is to intensify and develop democracy in the country; to seek our people's social development in new ways; to speed up the recovery of the country's economic stagnation; to strengthen public administration in all aspects; and to maintain social peace among Panamanians, making them participants in the solution of our problems.

We are taking actions to strengthen public administration with the services rendered directly to the Panamanian people through the managers of the departments under your direction by increasing the training and incentives of government employees, in order to fulfill the commitment to our people at this special time of our national life; by providing incentives for the labor minister to establish a civil service system; by taking specific action to eliminate the problems regarding contraband that affect all national life; and by initiating modernization programs in the different sectors that you will now be directing. This work to improve public administration must continue throughout our term in office because we know that it cannot be completed in 1 week, 1 month, or 1 year. Rather, we have committed ourselves to a permanent task.

We are also convinced that it is fundamentally important to reactivate the private economy of our country with the participation of workers, businessmen, and professionals of the different sectors. This reactivation is necessary and the present international situation demands it. Through a reorganization, the national economy will become more efficient and productive, and will generate the jobs that the Panamanian people require. To do this we have started drafting clear policies for the different sectors of the economy, policies which we will carry out with the help of each one of you in your field of responsibility and with the help of the responsible private sectors in the different fields of national production.

We are doing all this with a work plan that permits us to strengthen and institutionalize democracy as the Panamanian people desire, and to make effective the relations between the Legislative Assembly and the executive branch. This will permit us to implement actions to fulfill the programs that we have designed, programs which will allow the political parties, those that are part of our alliance as well as those that oppose us, to serve in the final analysis as the people's best vehicle to achieve the development they need and desire. In this strengthening of democracy we are all convinced that it is not sufficient to analyze the problems and complain about them. We must maintain a constructive dialogue, constant negotiations, and coordinate solutions with the different sectors. The Legislative Assembly will continue to be the best forum for the Panamanian people to achieve these purposes.

We know that we are surrounded by problems abroad that burden all of Latin America, such as the foreign debt. Panama will continue to participate with other countries in solving this problem, as well as others that burden Central America, which is so close to us. In our foreign relations we will maintain a constructive and positive position that will permit us to contribute to the search for peace and negotiations among the sister countries of Central America to solve the problems of Latin America. Our relations with the United States will continue to be honest, constructive, and dignified with the full acknowledgment of the commitments we have assumed on the Panama Canal and adjacent areas. We all know that we have no time to lose. Peace is the most important thing in our country. In order to keep peace, our country needs our work. The country requires our guidance. It expects a lot from us, so let's get to work. Action is the order to the day. It was our purpose to consolidate our political force through this new cabinet in order to serve the Panamanian people. We invite everyone to develop our programs in a more coherent manner, not only with the sectors that support us, but with all responsible and independent sectors of national life. We wish to continue searching for the solution of our problems, based not only on the programs we have drafted, but with the participation of all sectors that can benefit or be affected by our actions. This cabinet, the result of the political commitment of the parties of the National Democratic Union, is prepared to continue facing this situation with optimism, faith, hope, and conviction. The vice presidents and I are pleased to have you as members of our cabinet, members who have helped develop these tasks, and we again express our gratitude for your participation and that of the various friendly groups that support us.

Justice Minister Replaced

PA070023 Panama City ACAN in Spanish 2341 GMT 6 May 85

[Text] Panama City, 6 May (ACAN-EFE) -- Rafael Fernandez Lara, who was appointed new minister of government and justice last night, was replaced today by Jorge Riba, according to official reports. Both Fernandez Lara and Riba are leaders of the Liberal Party, one of the political groups in the government coalition that brought Nicolas Ardito Barletta to the presidency last year.

Last night Ardito Barletta announced the members of his new cabinet, the second in 7 months of government, after all the ministers tendered their resignations last Friday. Presidential sources said they did not know the reasons for the replacement of the new government and justice minister. Fernandez Lara was the defense attorney in May 1983 for two Panamanians who took $6 million in cash out of the United States. However, they were not tried.

PDC PRESIDENT ARIAS ADDRESSES DEMONSTRATORS

PA070336 Panama City ACAN in Spanish 0244 GMT 7 May 85

[Text] Panama City, 6 May (ACAN-EFE) -- Only 24 hours after the reorganization of the government, the Panamanian opposition held a demonstration today to commemorate last year's general elections, which it labeled "fraudulent." Supporters and members of the Panamanian opposition parties affirmed that the present government "stole the victory" in the 6 May 1984 presidential election, the first such election held since the 1968 military coup. The demonstrators marched through the principal streets of Panama City, burned effigies of President Nicolas Ardito Barletta and Panamanian Army Commander in Chief General Manual Antonio Noriega, and demanded that the Electoral Tribunal recount the votes cast on 6 May 1984.

The opposition Christian Democratic Party (PDC), the Panamenista Party, and the Nationalist Republican Liberal Movement (Molirena) said that their candidate, Arnulfo Arias Madrid, who lost the election by an official 1,713 votes, actually won the election from Ardito Barletta. A U.S. State Department report on the Panamanian elections said that 60,000 of the votes cast on 6 May 1984 were not counted as a result of different challenges. PDC President Ricardo Arias Calderon emphasized that the Panamanian opposition "is stronger than ever," although today's demonstration was not as large as previous ones. Arias Calderon refused to estimate the size of the crowd, but PDC legislator Guillermo Cochez estimated that 50,000 demonstrators participated.

The PDC leader set 31 July 1985 as the deadline "for the government to fall" after staging "a shameful ceremony" yesterday by announcing the reorganization of the original cabinet. This is the same date on which Panama must reply to its agreements with the international banks. Yesterday, Ardito Barletta reorganized his cabinet, which resigned in full last Friday. He appointed new cabinet ministers more in tune with the policy of the coalition of parties that brought him to power, it was officially reported.

Ricardo Arias Calderon added that the present "misgovernment" has "communists and the U.S. military as advisers" to remain in power. The opposition parties, said Arias Calderon, who was the main speaker at the demonstration, "do not want violence or destruction only to construct a democracy." They (the government and the military, who have always been associated with each other) represent dictatorship and division, while we (the opposition) represent democracy and fraternity," Arias Calderon explained. The president and General Noriega were jeered and President Ronald Reagan's Central American policy was criticized throughout the march.

COSTA RICA

MONGE REPORTED UPSET OVER SOVIET CRITICISM

PA030353 San Jose LA REPUBLICA in Spanish 24 Apr 85 p 3

[Text] President Luis Alberto Monge said yesterday that he was very upset over the Soviet Embassy's publication in Costa Rican newspapers of a TASS -- Soviet news agency -- report criticizing his administration.

According to international norms, no embassy can criticize the government of its host country since this is interpreted as "meddling in the domestic affairs of that country." In other countries in cases like this members of the embassy at fault have been declared persona non grata and have been asked to leave the country. Apparently the Costa Rican president has not taken that position for the time being. However, he said yesterday: "Through the Foreign Ministry, we have already protested to the Soviet Embassy."

President Monge said that "a publication from a news agency, even if it is an official news agency, is one thing, but when a government, through its embassy, supports the publication, that is something else." Monge said this meddling "is not acceptable because Costa Rica is very respectful toward all countries in which it has diplomatic representation."

EL SALVADOR

FMLN CONDUCTS 'REPRISALS' AGAINST U.S. EMBARGO

PA051657 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 4 May 85

[Report from San Miguel]

[Text] According to our correspondents in the area of Chinameca, the FMLN insurgents set fire to the municipal mayors' offices in San Buenaventura, in Usulutan Department, and in Nueva Guadalupe, San Miguel Department. These incidents occurred almost simultaneously at 2311, while everyone was sleeping. The heavily armed guerrillas reportedly entered the towns very stealthily and forced open the doors of the two mayors' offices. It has been learned that they arrived at the mayor's office in San Benaventura first. Realizing that no one was there, they quickly opened the doors of the very old mayor's office and set fire to the files and documents after spraying them with gasoline. They withdrew immediately after starting the fire.

Almost simultaneously, another group arrived in the area of Nueva Guadalupe, located about 1.5 to 2 km from Chinameca, where they also set fire to the local mayor's office, quickly withdrawing from the place afterward. This morning the two mayors' offices appeared completely burned down, to the dismay of the local people, who will no longer be able to obtain their documents.

We have also learned that in the same areas of Chinameca and Nueva Guadalupe the guerrillas also dynamited a high-tension pylon bringing energy from the San Lorenzo Dam to the Lempa River Hydroelectric Executive Commission [CEL] substation in San Miguel. A power outage ensued shortly thereafter throughout eastern El Salvador.

The emergency plant located in (Ejalacatan) began operating about 20 minutes later. The electrical service was restored in the city of San Miguel this morning, but in the rest of the area it was restored last night.

The guerrillas presumably blew up the pylon and caused the blackout in order to burn down the mayors' offices in San Buenaventura and Nueva Guadalupe. The CEL sources consulted told us that personnel protected by military police troops left this morning, Saturday, for Chinameca area to repair the damaged pylon. There is also great expectation in connection with the possible reappearance of the mayor of San Rafael Oriente, a member of the Christian Democratic Party, who was kidnapped yesterday. There is expectation about his possible reappearance in the next few hours. Mayor (Lorenzo Arevalo Diaz), 38, was kidnapped yesterday morning when guerrilla members arrived in town, held meetings, and burned down the mayor's office. The mayor of San Simon has also been kidnapped and has not yet been found.

At their meeting yesterday in San Rafael Oriente, the insurgents announced that this reprisal is in response to the U.S. trade embargo against Nicaragua. They added that this is an expression of solidarity and support for Nicaragua and of opposition to U.S. imperialism, which is meddling in Central America. Due to the embargo decreed against the Nicaraguan brothers and the negative situation created recently by the United States, the guerrillas will step up their activities and will intensify their struggle here in El Salvador, they announced at yesterday's meeting.

FMLN DENOUNCES CAPTURED CASTELLANOS AS 'TRAITOR'

PA070412 Panama City ACAN in Spanish 0347 GMT 7 May 85

[Text] San Salvador, 6 May (ACAN-EFE) -- Salvadoran guerrillas today announced the "dismissal" of rebel Commander Napoleon Romero ("Miguel Castellanos") and described him as a "traitor." The FMLN decision was announced this afternoon through telephone calls to local news media. The FMLN asserted that "Miguel Castellanos was not able to withstand torture at the prison where he was detained and therefore betrayed the guerrillas."

According to the guerrillas, Castellanos, a commander of the People's Liberation Forces, FPL, and head of a section of this organization, was captured by the Salvadoran National Guard on 11 April near Olocuilta, 22 km south of San Salvador. However, on Monday at a press conference, the guerrilla leader said that he "had turned himself over to the Salvadoran Army because he was convinced that the path of violence would not lead to a solution of the country's problems."

HONDURAS

PAZ BARNICA ON TALKS IN U.S., EMBARGO OF NICARAGUA

PA060241 Tegucigalpa Voz de Honduras Network in Spanish 0145 GMT 3 May 85

[Interview with Foreign Secretary Edgardo Paz Barnica prior to his departure from Washington on 2 May by unidentified reporters -- recorded]

[Excerpts] [Reporter] I understand that you are leaving Washington tonight?

[Paz Barnica] Yes, that is correct. The first phase of our mission in Washington has concluded, and a second phase will begin today.

The first phase was at the political level, with the participation of Colonel Efrain Gonzalez, chief of the Joint General Staff of the Honduran Armed Forces, myself as foreign secretary, and other civilian and military representatives of the Honduran Government. The second phase began this morning and will continue until tomorrow night. It consists of the work of the commissions or subcommissions, or groups from both countries, in analyzing and negotiating economic cooperation and security matters. Regarding the political phase, I would like to stress a few things: First of all, the magnificent talks we held today at the White House with Vice President George Bush, acting U.S. President during the absence of President Reagan, who is currently participating in the economic summit of industrialized countries in the FRG. Bush reaffirmed the U.S. Government's firm support for the process of democratic consolidation in Honduras. He reiterated his sympathy and cordial, fraternal appreciation for President Roberto Suazo Cordova. He also reiterated his government's willingness to satisfy the Honduran Government's requests regarding economic cooperation for social development and regarding security matters. We stressed that these two aspects must go hand in hand, as there will be no significant advancements in the security field if there is no substantial advancement in economic cooperation. This is very important. I would also like to highlight the talks we held with Secretary of State Shultz and Secretary of Defense Weinberger.

[Reporter] I would like to ask you a specific question. President Suazo has announced a trip to Washington. This would be his third visit to this city. Do you think that he will be able to make the trip?

[Paz Barnica] There are certainly plans for an official working visit by President Suazo to Washington, accepting an invitation from President Reagan to hold talks for the benefit of the two countries. As Honduran foreign secretary, I informed Vice President Bush, the secretary of state, the secretary of defense, and other senior officials of the Reagan administration of President Suazo Cordova's best intention of making this trip at an opportune time. Of course, this depends on the satisfactory solution of the internal crisis that as a result of individual greed has reached an institutional level in our country. Fortunately a dialogue has begun, headed by the Honduran president, in order to help solve these sporadic problems with understanding, but maintaining the principle of authority, so as to continue with the democratization of our country and achieve the public and social peace, which is necessary to carry out productive activities for the overall progress of our homeland. In addition, President Suazo would like to have a clear understanding from the United States on the subject of economic cooperation with Honduras prior to or on the occasion of his trip.

[Reporter] The prevailing topic here has been President Reagan's economic and trade embargo against the Sandinist government. May I ask your opinion on this, please?

[Paz Barnica] I have given my opinion on this before, and perhaps some of my statements have been misinterpreted. On Tuesday afternoon, Secretary of State Shultz informed us that the U.S. Government -- President Reagan -- planned to take measures which included economic sanctions, of a [word indistinct] nature, I would say, or a trade embargo on Nicaragua. Today I read a statement by Senator Lugar, chairman of the Senate Foreign Relations Committee, who said that these economic sanctions, this trade embargo reflects the consensus of the U.S. Congress, with no differences between the country's political parties, following the rejection of the Reagan administration's request for $14 million to aid the insurgents struggling in Nicaraguan territory to overthrow the Sandinist government. After discussing the matter frankly and privately with Secretary Shultz, in the presence of several Honduran and U.S. officials I said that the Honduran Government will analyze with great interest the repercussions that this measure will have in the regional context of Central America. In a statement distributed at the press conference today, and also in a statement I made yesterday at the capitol for the country's major television networks, I said that the Honduran Government supports any measure that is favorable for the process of internal reconciliation and the establishment or strengthening, as the case may be, of

democratic governments in Central America, or in any country. This must be clear: We favor any measure with this objective.

I have also said that the effects of any initiative, human behavior, or any action by men, societies, or states, cannot be measured until the practical results can be seen. In this case, there are positive and negative sides. Among the positive aspects, we could say that this measure, which in my opinion is a bilateral matter between the United States and Nicaragua, could be another element of pressure in Nicaragua's democratization through internal reconciliation, and an opening for democratic pluralism in that country. On the other hand, we must consider the statement made by Nicaraguan Vice President Sergio Ramirez, which was published in U.S. newspapers today, in which he said that the U.S. attitude will result in closer ties, in every field, between Nicaragua and the USSR and East European countries, as well as other countries with the same political ideology -- in my opinion of totalitarian leanings.

In other words, in analyzing this initiative, we must consider the side effects. We hope that it will have positive effects. As I said, this is a bilateral matter between Nicaragua and the United States. Every coin has two sides. We must remember that when Jesus Christ met a very humble man in Galilee who lived off of charity, the Savior gave him a coin and said: Give to Caesar what belongs to Caesar, and to God what belongs to God.

SUAZO ADDRESSES WORKERS, PEASANTS ON LABOR DAY

PA012150 Tegucigalpa Domestic Service in Spanish 1130 GMT 1 May 85

[Labor Day speech by President Roberto Suazo Cordoba to peasants and workers in Tegucigalpa on 30 April -- recorded]

[Text] Workers and peasants of my homeland: This message is addressed to the Honduran working class, to the men and women who operate the factories and till the soil in cities and rural areas with their heads held high, with open hearts, and with a deep sense of dignity and patriotism.

One May is internationally consecrated as Labor Day. Tomorrow will be marked in various nations and continents in tribute to the worker, peasant, and proletarian sectors, which participate in the vast enterprise of production with various creative activities, promoting the well-being of peoples.

In Honduras, we celebrate 1 May with a sense of public responsibility. The celebration of 1 May is an obligation for all Hondurans who want Honduras to have a constructive present in order to reach a promising future. In very few countries in Latin America has the working class left as much evidence of civil conduct and spirit of solidarity as in Honduras. Our history shows a struggle for vindication by Honduran workers as the starting point of a stage in which worker and peasant organizations have played a leading and dynamic role in national events and major collective decisions.

Long before I assumed the presidency of the Republic I proclaimed my firm adherence to the principles of free and democratic trade unionism. As the president of all Honduras, I have at all times maintained a significant dialogue with the leaders of worker and peasant organizations because their opinions are indispensable to a government like ours, which concerns itself with solving economic problems to promote social well-being for all Hondurans.

We admire the workers and peasant organizations and hold their leaders in sincere esteem. We respect their convictions and commend their behavior, which translates into timely contributions to the solution of the complex problems we face in times of trouble, which we must overcome with human sensibility and a sense of institutional responsibility. At this moment our country is being shaken by an internal crisis that has no reason to exist because it has resulted from uncontrolled, individual political passions.

Those who cannot get accustomed to living within democracy have tried to take advantage of this crisis to endanger the republican institutions which the Honduran people have so zealously built through the exercise of their citizen rights. In view of this situation, which we deplore, on 19 April the worker and peasant movement submitted a proposal outlining their points of view, conclusions, and recommendations with regard to initiatives to be taken into account in order to resolve this situation, which is keeping all Hondurans worried and insecure.

We responded to their proposal by analyzing the various points contained in the document with a positive spirit, which confirms my determination to move ahead with the suggestions that were submitted by our country's labor organizations. With optimism, I inform the public that I have invited the country's production sectors, the workers, the peasants, and private enterprise to engage in a candid and honest dialogue which, taking into account their points of view as well as those of my government, could lead to formulas to achieve understanding and solve the current conflict, thus strengthening the democratic process and preventing social decay, which would do much irreparable damage to Honduras.

I wish to take this opportunity to reassert my government's determination to continue supporting, without hesitation, the just aspirations of the working class. There must not be the slightest doubt that we will, with the same determination, safeguard our system of democratic life and government because we would otherwise be betraying the noble aspirations of our people, who have turned suffrage into a means for constitutional restoration and democratic consolidation. I urge all Hondurans to reflect on Labor Day on the fact that Honduras cannot be a monopoly to satisfy the personal and arbitrary ambitions of a few. It must be everybody's respected fatherland. Let all those who have strayed from the path of responsibility that was conferred on them by the people meditate upon the fact that concord must be a permanent characteristic of the Honduran family and that political hatred and vendettas must be buried forever and replaced by tolerance, understanding, and solidarity.

I send cordial greetings to all Honduran workers. My words convey the sincerity of a president and citizen who is fully identified with the efforts which the men who work in the rural and urban areas promote and carry out in favor of our country. This message of appreciation and admiration goes out to the workers and peasants of my homeland as a pledge by the government I head to tread, along with the people, the same path of progress, justice, democracy, and freedom. Thank you very much.

FURTHER REPORTAGE ON 'POLITICAL CRISIS'

Workers, Peasants, Communique

PA012245 San Pedro Sula TIEMPO in Spanish 20 Apr 85 p 3

[Document issued by the Honduran Worker and Peasant Movement in Tegucigalpa on 19 April, entitled: "Worker and Peasant Movement's Position on the Present Institutional Crisis in the Country"]

[Text] The legally established labor and peasant organizations in the country, which held an urgent meeting to deeply and patriotically analyze the institutional crisis we are facing, have arrived at the following conclusions:

A. The crisis generated by traditional politicians has created differences among the branches of state, which are causing a great number of problems for the country in general, and the Honduran people in particular, and are manifested by an obvious socioeconomic, cultural, and political regression in the country.

B. The effects of this crisis are deteriorating our country's image abroad, which is fundamental in order to maintain good relations, peaceful coexistence, and international peace.

C. In this regard, assuming the responsibility that falls to the worker and peasant organizations, which represent the majority of the Honduran people, we ask His Excellency the president, and the sovereign presidents of the National Congress, Supreme Court, and political parties, to consider these recommendations which we deem to be the most feasible for a peaceful, just, and quick solution.

The Worker and Peasant Movement proposes the following solutions:

1. That the constitutionalist democratic system which we the Hondurans chose in 1981 be maintained in order for us to live in an atmosphere of peace, liberty, and social justice.

2. That the president pardon and release the citizens who were elected by the sovereign National Congress as justices of the honorable Supreme Court.

3. That the justices presently in office and those recently elected by the sovereign National Congress resign from these posts so that a new Supreme Court can be elected, and formed by citizens who have not been involved in the present political crisis, in keeping with constitutional regulations.

4. That the amendments to the electoral and the political organizations laws set forth by the National Congress and vetoes by the president be subjected to established constitutional procedures. Taking into account the popular demand for internal elections in each of the political parties -- so that the members of the parties can directly choose their candidates for the positions of president, presidential designates, and deputies of the National Congress -- the electoral law and the law on political organizations must be amended during the next legislative session.

5. That the sovereign National Congress establish as a constitutional law that the citizen who holds the position of president, as well as that of president of the National Congress, and the president and justices of the Supreme Court be banned from participating in party politics while they hold their respective posts.

6. That the secretaries of state and the deputies dedicate themselves to the faithful fulfillment of their duties, and that within the time left in the present administration, they carry out the social projects that will contribute to improving the living conditions of the poorest sectors of the country, and that they cease to promote the dismissal of public employees on the basis of sectarian political reprisals.

7. A development program should be prepared with the active participation of the worker and peasant organizations, and also that of the other social organizations. This program should offer continuity in guiding the country's fate, despite whatever government may come to power.

8. On 10 April the worker and peasant organizations presented a document to the sovereign National Congress which contained a series of considerations and recommendations to strengthen the democratization process in the country.

However, the deputies have not given the document the importance it deserves. Therefore, we suggest that they discuss and eventually approve the document for the benefit of the Honduran people.

9. The honorable members of the sovereign National Congress must put a stop to their provocative speeches and personal insults, because these actions only create greater uneasiness and confusion among the people.

10. The worker peasant organizations reaffirm their support for the constitutionalist position adopted by the Honduran Armed Forces for resolving the current political crisis.

11. The worker and peasant movement warns the leaders of the political parties that if they do not consider the solutions stated in this document they alone will be responsible for whatever happens in the country.

Tegucigalpa, 19 April

[Signed] Andres Victor Artiles, the General Workers Confederation; Felicito Avila, the Confederation of Honduran Workers; Marcial Caballero, the Federation of Honduran Agrarian Reform Cooperatives; Efrain Diaz Galeas; Nely Ramirez; Francisco Urmeneta; Marco Tulio Cruz; Julio Chavez Paz; Benjamin Garmendia; Reynaldo Mencias; Juan Eduardo Argueto, EACI [expansion unknown; Angel Martinez, FCH [expansion unknown]; Ruben Reyes; Jose Boenerges Lezama, the National Association of Honduran Peasants; Benjamin Castro Alberto; Ines Fuentes

Party Leaders Express Support

PA300143 Tegucigalpa Voz de Honduras in Spanish 1145 GMT 29 Apr 85

[Statement issued by leaders of political parties after 26 April meeting with worker and peasant sectors, dated 27 April]

[Text] Communique to the Honduran people: In view of the current grave crisis affecting the nation, we consider it our duty, as citizens linked to our fatherland's destiny, to express before the Honduran people our views of the recommendations made by the Honduran worker and peasant organizations on 19 April and of the talks held with their leaders at the Honduran Central Bank. Our conclusions reflect our innermost and steadfast convictions:

1. Our determination to preserve and strengthen the constitutionalist democratic system;

2. Our total adherence and firm acceptance of the 11 points contained in the list of demands presented by the labor and peasant organizations for the consideration of the three government branches on 19 April and amended later in some of its fundamental clauses, since we feel that these demands are in accordance with our democratic philosophy;

3. Our total support for internal elections within all the political organizations in the country, with the necessary guarantees, so that the citizens themselves, acting directly and according to their convictions and spontaneous feelings, can select their own candidates through the power of honest suffrage;

4. Internal elections within the political parties should be directed, supervised, and sanctioned by the National Electoral Tribunal, without any official coercion, and should truly reflect the democratic aspirations of the Honduran people in the vital aspect of entrusting the reins of the Republic to a government that is truly interested in its political, economic, social, and cultural development;

5. Based on our rights as legitimate representatives of our respective political organizations, we demand the immediate release of lawyer Ramon Valladares Soto and a stop to the arbitrary persecutions unleashed against the rest of the justices of the Supreme Court elected by the sovereign National Congress;

6. We issue a fraternal call to the Honduran people and the institutions representing them to give their unwavering support to these demands and claims made with the fervent civic desire of fully and effectively strengthening Honduran democratic institutions. We make this call at a time of dangerous crisis, when our democratic institutions are being threatened by those who have been unfaithful to the elevated republican duties entrusted to them through the votes of the Honduran people;

7. Based on these considerations and aware of the dramatic reality in our country, we began talks and have solemly committed ourselves to assume our patriotic duty of working toward the great national political agreement that the Honduran people are demanding and which our fatherland urgently needs in order to achieve democratic stability, genuine constitutionality, and the integral and harmonious develompent of the Republic of Honduras.

Tegucigalpa, 27 April

[Signed] Jose Efrain Bu Giron, (Miguel Andonis Fernandez), Mario Rivera Lopez, Jose Azcona del Hoyo, Rafael Leonardo Callejas, Hernan Corrales Padilla, Efrain Diaz Arrivillaga, Carlos Roberto Reina, Enrique Aguilar Paz, Celeo Arias Moncada, Nicolas Cruz Torres, Romualdo Bueso Penalba, (Porfirio Romero Martinez), Jorge Bueso Arias, (Jaime Rosenthal Oliva), Jose Fernandez Guzman, and (Oscar Medara Murillo)

COHEP Urges Dialogue

PA012213 Tegucigalpa Voz de Honduras in Spanish 1145 GMT 29 Apr 85

[Communique issued by the Honduran Council for Private Enterprise, COHEP, in Tegucigalpa on 29 April]

[Text] COHEP, which is the top representative of Honduran businessmen, has been concerned about the national crisis brought about by the emergence of the political interests of groups and people and the confrontation between state branches.

In keeping with our responsibility and awareness of our role as protagonist within the democratic and constitutional process of the Republic and in view of the dangerous situation facing us, we participated in a special commission made up of representatives of worker and peasant organizations to try to establish a constructive dialogue between the top political leaders involved in the conflict. This initiative, which was aimed at eliminating negative attitudes and verbal confrontations and easing political tension, did not yield positive results because the sides involved in the conflict failed to make a concerted effort at the crucial moment. We later maintained a prudent silence and nursed hope that the political sectors involved would find a solution. However, now that the crisis has worsened we believe it is our duty to express publicly our views to the national conscience and the government of the Republic.

In our opinion the political conflict, which is threatening the institutions that constitute the basis of our republican system, must be faced by all sectors of society, because there is no doubt that it is affecting everyone.

We share the concern voiced by labor and peasant organizations regarding the importance of strengthening the democratic system via primary elections prior to holding general elections this year.

We believe that this new procedure should not bring about situations affecting the harmony and unity of political institutions. Therefore, (?an opening) of the sides involved to maintain an atmosphere of dialogue and commitment should be allowed; in so doing, the freedom of decision of institutions involved must be respected. It would be regrettable and terrible for Honduras if any side involved in trying to solve the political conflict adopted extreme measures. The social and economic consequences of such measures would affect the orderly path of the country, disturb the people, and further damage our international image.

The participation of national productive sectors is essential in this rapprochement and dialogue process that we are advocating to facilitate, strengthen, and consolidate agreements that could be reached in the search for a solution to a problem that is essentially political and has led, regrettably, to an institutional imbalance.

The proposal recently presented to the public by labor and peasant organizations deserves special and careful consideration as a basis of discussion. It reflects the views of a large portion of our population. For all these reasons, it is now up to the political sectors involved in the conflict to accept immediately the initiative to hold talks proposed by representative institutions of the country's productive sector. They should participate in good faith, with the best disposition to abandon selfish positions by sacrificing personal interests; this should be done in the hope that such an attitude might lead to the reestablishment of the national peace that Honduras needs so much in the face of internal and international threats.

COHEP respectfully suggests that the citizen president of the Repu who is the country's highest authority, immediately call all political sectors to discuss and analyze the proposal presented thus far and others that could emerge during the discussion. We believe that in seeking a national agreement the participation of productive sectors, that is capital and labor, is essential, because in the end we are the ones who will perhaps be most affected by the social and economic deterioration threatening the country.

Tegucigalpa, Central District, 29 April

[Signed] COHEP

Editorial Views Court's Role

PA011828 San Pedro Sula LA PRENSA in Spanish 29 Apr 85 p 7

[Editorial: "The Supreme Court and the Crisis"]

[Text] The Supreme Court of Justice is undoubtedly one of the key pieces in the crisis that is currently paralyzing Honduras' institutions and causing grave concern to the citizenship. Long before a division emerged between the president of the National Congress and the president of the Republic, with the subsequent antagonisms that the country witnessed during the past month, there were numerous complaints regarding the country's administration of justice. People as respectable as U.S. Ambassador John Dimitri Negroponte expressed their reservations regarding how the judicial branch applied the law. Workers organizations, business associations, private citizens, and even a justice of the Supreme Court, namely Marco Tulio Castillo, denounced the occurrence of irregular situations at the high court that demanded serious rectifications.

However, given Honduras' traditional attitude, nothing was done and irregularities continued until, in the midst of the conflict between the executive and legislative branches, the president of the National Congress decided to remove and replace the Supreme Court justices. For this, the Congress leader was able to garner a majority of support by bringing together the Nationalist deputies and the Liberals who support him. The country's most distinguished lawyers have already stated, and we need not expand on this issue, that the procedure removing the Supreme Court justices was unconstitutional, in view of the fact that they were elected to 4-year terms and can only be removed by following the procedures established by law. The mechanisms of the legislative majority led by Efrain Bu Giron were indeed illegal, and the consequences were soon to come.

However, the fact that the mechanism used by the presidential hopeful and his allies to remove the justices was technically inappropriate and invalid does not resolve the true problem: There are serious irregularities at the Supreme Court. They have been denounced and sustained with ample documentation. They obstruct democracy.

In their working document, workers and peasants proposed a Solomonic solution: that the two courts, one standing and one appointed by Congress, be dismissed and a new one elected. President Suazo Cordova washed his hands of this matter stating that the Supreme Court justices are the only ones empowered to remove and appoint new justices, and that he could not pressure them to resign or to remain in their positions. The Congress' dominant party did not comment on this. It did not even discuss the proposal, limiting itself to appointing a commission to talk with the workers and to stressing the need for internal elections.

Supreme Court President Carlos Manuel Arita Palomo made harsh statements to the press that he would neither resign nor retire. To put it as bluntly as did one of the most responsible for the current ill state of affairs: Arita Palomo is openly refusing to cooperate in the search for a solution to the crisis that is keeping the country in a state of stagnation. Under these circumstances with uncompromising attitudes on all sides, it is improbable that we will see light at the end of the tunnel.

Meanwhile, as long as Bu Giron retains his parliamentary majority it will be difficult for President Suazo Cordova to accept the election of a new court because Bu Giron's allies would surely dominate the designations.

In the meantime, the crisis has intensified. In a new and unprecedented move, over the weekend unions announced that they want internal elections this year and that if their demand goes unheeded they will adopt more direct, forceful measures. Observers fear that this forebodes the outbreak of a general strike which would undoubtedly signal the end of our now fragile social peace.

In view of all this and refraining from commenting on this move, which attempts to impose its aspirations by exerting social pressures, first we urge the members of the Supreme Court of Justice, and second, the leaders involved in the crisis, to reexamine their unyielding positions. Every minute that passes we come closer to the abyss. We see no attempts to make mutual concessions, negotiate, or resolve the difference democratically; that is, through constructive, civilized dialogue. Even if those involved in the crisis refuse to admit it, the country's very existence is in jeopardy. Enemies within and without want the crisis to acquire strength in order to divide us, cause the collapse of our institutions, and eventually enslave us, as they have already done in Nicaragua. It is imperative that those in charge of the government reconsider, with the swiftness that the situation demands, and seek an intelligent solution to the deep crisis that we are experiencing.

The constructive or destructive way in which they act will determine whether Honduras consolidates its democracy or falls irremediably into chaos and disintegration.

Congress Welcomes Communique

PA010136 Tegucigalpa Cadena Audio Video in Spanish 1815 GMT 30 Apr 85

[Statement issued by the National Congress in Tegucigalpa on 26 April; read by Deputy Napoleon Mendoz Guillen -- live]

[Text] Statement in reply to the proposals presented by the worker and peasant movement for the solution to the institutional crisis that prevails in the country.

The undersigned, members of the commission appointed by the National Congress president and approved by the National Congress plenum, comprised of deputies of the political organizations that are duly recognized by the state -- which maintains its firm hopes of defending and strengthening the democratic system of government that has been freely given to the Honduran people -- have welcomed the documents sent by organized peasants and workers in the country. We consider that the proposals made in the documents will contribute to overcoming the current institutional crisis without sacrificing the democratic and republican spirit that must inspire all the actions of the different sectors comprisng our citizenry.

The National Congress belives that the current situation is not a crisis generated by the tenacious resistance that antidemocratic groups within the executive branch and other state organizations are demonstrating against the measures adopted by the sovereign National Congress. These measures are aimed at enforcing the respect for the people's will in the elections; strengthening the democratic system of government which is consecrated by the Constitution of the Republic, through internal elections in the political parties to appoint candidates for public posts; reorganizing the Supreme Court of Justice; and ensuring that the state's branches function independently.

These worthy goals are fully advocated by all the Honduran people, as stated in the worker-peasant document, because they include all the citizenry's permanent hopes of eliminating negative actions and antidemocratic maneuvers within political parties to impose unpopular candidates. The executive branch reacted virtulently to these legislative measures mainly because it is trying to impose on our traditional parties its own candidates for the presidency and other public posts -- using the political control that has been incorrectly assumed by the illegitimate directorates of the two largest political organizations.

The incredible, unjustified, and illegal actions that have been carried out against the National Congress sovereignty, the incarceration of the Supreme Court president, the persecution of the other elected magistrates, the police force takeover of the Supreme Court installations and national printing offices -- and the presidential vetoes of three legislative decrees have been aimed at preventing the enforcement of a system in which the political party candidates will be freely elected, as demanded by the vast majority of the Honduran people. The actions to defend the authentic sovereignty of the people's vote have not been carried out to favor the deputies' personal interests; it is part of a struggle that has been waged throughout the years by the people. However, the appropriate conditions to institutionalize this were not given until now, through the appropriate amendments to the electoral and political parties law.

The National Congress is deeply concerned about possible repercussions derived from the current political-institutional crisis in the country, and shares with the peasant-worker sector the opinion that it is necessary to overcome the situation as soon as possible, within the constitutional guidelines. Nevertheless, it is hereby stated that the legislative resolutions have not provoked the crisis. It is derived from the executive branch's arbitrary, illegal, and dangerous conduct -- in its overwhelming desire to impose its will -- abolishing the people's sovereign will and usurping the constitutional purviews of other state powers.

Regarding the specific proposals included in the document sent by the peasant-workers sector, the National Congress, following the order of the document's articles, asserts the following:

1. The unreserved support for our democratic system of government represents a National Congress top priority; its members have constantly sought to defend and strengthen the system, even though this exposed them to all kinds of reprisals, abuse, and threats. The enforcement of this system should represent the first and most important civic and political responsibility of all the Honduran workers, peasants, and citizens in general.

2. The pardon to release Supreme Court President Ramon Valladares Soto is contrary to law, because this procedure is only applicable to common crimes, which can only be condoned and pardoned according to the law. The imprisonment of the honorable Supreme Court president is an illegal and arbitrary measure, ordered by a judge who blindly limited his actions to obeying superior orders without any legal base. This represents an unprecedented action in Honduran history. Nevertheless, we consider that the procedures, which were approved after being discussed with peasant and worker leaders, should be immediately enforced, until Ramon Valladares Soto's release is attained.

3. The sovereign National Congress, fully exercising its purview -- specifically according to Article 205, Section 9, and Article 309 of the Constitution of the Republic -- partially reorganized the Supreme Court, with the intention of ensuring its independent, partial, and correct actions -- which had been seriously questioned through many, confirmed public accusations that were issued by different sectors in our country. The legitimate appointment of the new Supreme Court president and four magistrates with their corresponding alternates was illegally and unconstitutionally opposed by the president of the Republic, who capriciously decided he would not recognize the legislative decree that reorganizes the Supreme Court. Consequently, he ordered the National Police to take over the Supreme Court installations and exert influence on jurisdictional organizations, with the intention of issuing charges for an alleged crime, incarcerating the elected president, and prosecuting the other magistrates. He also decreed that the Supreme Court comprised of the dismissed magistrates should continue functioning even though this meant they would be usurping public posts. This represents the most serious violation ever perpetrated against the country's Constitution and legal status.

Despite all this, the National Congress is willing to take into consideration the worker-peasant proposal regarding a new reorganization of the Supreme Court, so the newly elected magistrates are willing to present their resignations from these high posts, after Ramon Valladares Soto's liberty has been fully restored and the arrest warrant against the other Supreme Court magistrates has been revoked.

4. The struggle to have elections prevail as the only means to ensure Honduras' democratic system represents a true civic and political achievement that the National Congress wants to consolidate through the mechanism of internal elections in the political parties.

These elections would serve to select the candidates for people-elected positions and adopt other amendments on the electoral and political organizations law. Those amendments tend to democratize elections. This democratic struggle is fully supported by the nation and entails the elimination of the autocratic control exerted by political party cliques. The establishment of this struggle in the Honduran electoral system must be carried out without delay in the current electoral process that is fundamental for the the reinforcement of the democratic system recently installed in the country.

If the current crisis imposed on the majority political parties is not overcome, the citizens will not be able to recover their confidence in a democratic system. Furthermore, the country would be exposed to the serious and dangerous risks that could be brought about by the destruction of democracy as the basis for the Honduran people's harmonious-coexistence system and even its national dissolution in the face of the serious geopolitical, economic, and social problems that we face.

Only a government firmly supported by the people, a democratically elected, pluralist and nationally integrated government, will stand some chance of success in confronting the economic, social, and political chaos that threatens the country. Due to his lofty position, the president of the Republic should not participate in party politics. Furthermore, Articles 71 and 72 of the electoral and political organizations law expressly forbid him and the other high-ranking officials of the judicial and executive branches from using their posts' authority and influence for the benefit of political organizations, from wearing emblems or badges of these organizations, or in any way displaying their sympathies for a particular party. Unfortunately, these provisions have been completely ignored by the current president and his closest collaborators. In addition, the people can witness the excesses committed in relation to this matter.

6. [As heard] Points six and seven of the peasant and worker document are closely related to executive and administrative functions. The National Congress shares the workers' concern for the negligence, indifference, and inability that can be observed in some public offices. Regarding those tasks pertaining to deputies we understand that they are being properly carried out despite the difficult climate created by the constant threats and slander that some executive branch sectors unleash against the National Congress in an effort to discredit it and distort the truth.

7. In due time, the National Congress approved the national development plan.

8. The 10 April document — delivered by the peasant and worker organizations to the National Congress -- contains very important aspects of the new worker and peasant class document that serves as the basis for this pronouncement.

9. Discussions are normal within every deliberative and representative organ of the people, and the legislators' interventions respond to their degree of culture. Nevertheless, the chairman tries to moderate these situations by regulating the discussions within the scope of harmony, ethics, and good manners.

10. Only in despotic and totalitarian governments is the subordination of the Armed Forces demanded in order to impose illegal or arbitrary measures and violate the Constitution as well as law and order established in bylaws in favor of the rulers' whims. The responsibility for the events that could possibly harm the Honduran people or its institutions will fall on the authors, accomplices, or accesories of these events, particularly when the people's sovereignty is supplanted and powers usurped through these measures or actions.

Considering what we have presented, the National Congress supports the solutions proposed by peasant and worker organizations in their 19 and 26 April documents to solve the country's current political crisis. In addition, the National Congress urges these organizations to take steps toward the release of Roman Valladares Soto, chief justice of the Supreme Court, who has been unjustly imprisoned. Efforts should also be made to have the arrest warrants against Valladares' fellow magistrates repealed. These magistrates, who have flee persecution by the police, should recover and enjoy freedom, as well as their rights as citizens.

The National Congress firmly reiterates its determination to make all possible efforts to preserve peace, the constitutional regime, and the democratic government system that the Honduran people desire.

Tegucigalpa, 26 April

[Signed] Jose Efrain Bu Giron, Jose Azcona del Hoyo, Romualdo Bueso Penalba, Pompilio Romero Martinez, Orlando Gomez Cisneros, Daniel Quesada Fernandez, Nicolas Cruz Torres, Elias J. Calix, Mario Rivera Lopez, Miguel Antonio Fernandez, Efrain Diaz Arrivillaga, Marco Antonio Ponce, and Napoleon Guillen Mendez, the secretary

Paz Barnica on Party Elections

PA012006 San Pedro Sula TIEMPO in Spanish 30 Apr 85 p 5

[Text] Ubodoro Arriaga Iraheta, Honduran secretary of state for the presidency and a member of the high-level Honduran delegation that is negotiating a revision of military treaties with the United States, has remained in the country instead of traveling to Washington. He remained to assist President Roberto Suazo Cordova in his attempts to overcome the crisis that the regime is currently confronting as a result of social sector's demands that political parties hold internal elections to choose presidential candidates.

This report was confirmed yesterday by Foreign Secretary Edgardo Paz Barnica shortly before he left for Washington with Colonel Efrain Gonzalez Munoz, chief of the Joint General Staff of the Honduran Army [as published], to resume talks with the Reagan administration. Paz Barnica explained that Arriaga Iraheta "will remain in Tegucigalpa with President Suazo to help with the initiatives to resolve the internal crisis."

In statements to a local radio station, Paz Barnica said he is in favor of holding internal elections within the political parties to choose presidential, legislative, and municipal candidates. "I believe that the ruling party has no reason to fear internal elections. I have always thought political parties should be more democratic, like peasant, worker, and business organizations," he stated.

The foreign secretary stressed that he has always favored the holding of internal elections in the Liberal Party of Honduras [PLH], but said that "unfortunately, the people who are currently leading the party have always opposed internal elections." He accused Efrain Bu Giron, president of the National Congress, of having opposed internal elections in the past and of currently objecting to the publication of the list of delegates. He said that President Roberto Suazo Cordova "is a genuine leader, not the product of political opportunism or of convention results, to which some members of the PLH are desperately clinging." Paz Barnica said that Suazo Cordova wants to solve the current crisis "fairly," but did not explain if this means that he will abandon his attempts to impose his predecessor [as published] as president of the Republic, as the opposition is charging.

TIEMPO Backs Worker-Peasant Plan

PA020029 San Pedro Sula TIEMPO in Spanish 30 Apr 85 p 6

[Editorial: "The Internal Elections and the Allies of Marxism-Leninism"]

[Text] Leaders of the four political parties -- Liberal, National, Innovation and Unity Party, and Christian Democratic, with the exception of the government faction of the Liberal Party, have responded to the statement made by the worker and peasant movement, accepting the points stated in the document to resolve the institutional crisis. The political leaders' response stresses the celebration of internal elections directed, supervised, and regulated by the National Electoral Tribunal to select the candidates who will run for public office in the 24 November 1985 elections.

The government sector has not given an opinion on this, although today is the deadline set by the workers and peasants and agreed upon by the military hierarchy to find out the opinions of the sides involved in the conflict. President Suazo Cordova's response to the 19 April proposal was negative. Some official spokesmen, however, who withdrew from the meeting of political leaders with worker representatives last Friday at the Honduran Central Bank, insisted on rejecting the internal elections, repeating the same untenable argument that a popular consultation had already been held -- which is false -- and that there is no time to hold this type of election.

Leaders from the four political organizations, upon approving the internal elections, have only interpreted the desire of the majority of people, who undoubtedly have supported the elections. Polls in different parts of the country have confirmed that 90 percent of the people are determined to directly elect the candidates, and this procedure will end the political and institutional crisis in Honduras. The Honduras people are thereby demonstrating their deep democratic conviction, and also their concern that our country discontinue the vices of the past which, in recent times have been carried out by an antidemocratic clique, equal to or perhaps even worse than that established in the countries that exalt the Marxist-Leninist system.

President Suazo Cordova's regime has stressed its rejection of the Nicaraguan elections, and only yesterday Foreign Minister Edgardo Paz Barnica, before leaving for Washington, publicly stated that the Sandinist government is illegitimate because it is the result of elections carried out under a totalitarian government. However, the reality of the Honduran electoral process and the role of the military sector within that process has been much more totalitarian than that of the Sandinist revolutionaries. The total rejection of internal elections, and the imposition of candidates by Suazo Cordova's clique are proof of this.

Unfortunately for our people, this closed and sectarian attitude has led to the worst institutional crisis in our country's history and is keeping the country in a state of political and moral dissipation. The country has watched the government become strong while it ignores the law in order to maintain the power that it could not achieve popular sovereignty. To achieve this goal, the government has resorted to all types of political tricks, using unstable concepts that offend the nation's intelligence. This antidemocracy, even under the present circumstances when the Hondurans are demanding the democratization of the democratic process, continues with its plan to rob the people of their self-determination.

Spokesmen for the National Electoral Tribunal have explained as objectively as possible that there are sufficient elements, time, and technical facilities to carry out the internal elections without delaying the general elections in November. Furthermore, there already is a National Civil Registry that definitely guarantees the participation of the majority of citizens, with 1,4 million voters who have new identification cards. This figure will substantially increase within the 2 months left before the date suggested for the internal elections.

The political leaders' answer to the labor and peasant statement is, therefore, the people's verdict on holding internal elections to save the electoral process and the democratic system in Honduras. Those who are opposed to this conspire against their own fatherland, and likewise become the most efficient allies of Marxist-Leninist totalitarianism in Central America.

EDUCATION SECRETARY RESIGNS TO ENTER POLITICS

PA031859 Tegucigalpa Domestic Service in Spanish 1130 GMT 3 May 85

[Text] Education Secretary Fausto Castillo Suazo and Augusto Aguilar, under secretary of technical affairs at the Education Ministry, have submitted their resignations for the posts they have held since August 1984. Yesterday, it was learned that the two officials resigned on 17 April. It has also been learned that the president of the Republic only accepted Aguilar's resignation. Yesterday, Aguilar was awaiting his replacement. Castillo Suazo and Aguilar reportedly decided to abandon their posts as public officials in order to be free to participate in their party's political activities.

NICARAGUA

TUNNERMAN SAYS U.S. EMBARGO VIOLATES OAS CHARTER

PA070027 Managua Radio Sandino Network in Spanish 1216 GMT 6 May 85

[Text] The embargo decreed by U.S. President Ronald Reagan against the Nicaraguan people violates the OAS Charter, said Carlos Tunnerman, Nicaraguan ambassador in Washington, who added that it also violates the 1956 bilateral convention on trade, friendship, and navigation between the United States and Nicaragua.

[Begin recording] Despite being contained in a declaration of a state of emergency, the decision adopted by the U.S. President through an executive order based on a national emergency declared by him in which he claimed that Nicaragua is a menace to U.S. security and international relations juridically contradicts a number of international agreements. First, it violates the 1956 bilateral convention on trade, friendship, and navigation that exists between Nicaragua and the United States because even though the U.S. Government submitted a note expressing its decision to denounce that agreement on 1 May, the agreement establishes that such an action would be effective only 1 year after the date of such a denouncement. Therefore, the 1956 agreement is still in force; consequently, this clearly means that free trade between Nicaragua and the United States is still in effect. Therefore, the embargo decreed by the Reagan administration is contrary to that agreement. On the other hand, is one of its clauses the agreement established that any violation thereof could be brought before the International Court of Justice and, according to the agreement, that jurisdiction cannot be denounced. Therefore, the embargo is contrary to the agreement.

Besides, it is also contrary to the General Agreement on Tariffs and Trade commonly known as GATT, to which the United States and Nicaragua are signatories. The GATT establishes free trade between its member nations and states that no restrictions can be established unilaterally which violate the GATT by any one member nation against another member nation.

The decision to establish the embargo also violates the OAS Charter; therefore, it also violates the Inter-American Economic and Social Council and (Seicom) [expansion unknown] which also regulates commercial relations between the inter-American system nations because in Articles 18 and 19, the charter establishes agreements prohibiting actions of a military, political, economic, and cultural nature that could be considered interference in the internal affairs of a state or designed to impose the will of one state over another. Consequently, the economic aspects of the embargo violate the OAS Charter itself. [end recording]

Meanwhile, U.S. President Ronald Reagan said in the FRG yesterday that he felt like a Nicaraguan Miskito Indian. Regarding that statement, the Nicaraguan ambassador in Washington, Dr Carlos Tunnerman, said that Reagan's words are part of his unfortunate publicity campaign. He stressed that Reagan tries to imitate former U.S. President John F. Kennedy when he said in the FRG 22 years ago that he felt like a Berliner. I think that President Reagan's affirmation is another in a series of mistakes his administration has been making in efforts to carry out its aggressive policy against Nicaragua, Ambassador Tunnerman added.

Commenting on Reagan's claim that he felt like a Nicaraguan Miskito Indian, Moravian priest John Wilson pointed out that the Nicaraguan Moravian Church is linked to the problems of the Miskito Indians and that Reagan's statement makes the solution of the problems in the region even more difficult.

[Begin recording] I think his statement is unfair because the Miskitos want to be left alone, without anyone interfering in their lifestyle. They want to be free of all interference from either the left or the right. Just like the Rama Indians wanted to be Ramas, without further complications. I think the statement by the U.S. President makes things more difficult for our country. [end recording]

WHEELOCK ON REPLACING LOST U.S. SUPPLIES MARKETS

PA061348 Managua International Service in Spanish 0000 GMT 6 May 85

[Text] Commander of the Revolution Jaime Wheelock Roman, agricultural development and agrarian reform minister, has announced the immediate reorganization of all state enterprises in the agricultural sector to make them more efficient and productive instruments capable of facing the negative aspects of the trade embargo imposed by the United States. The Sandinist leader said this during a meeting with workers of rice enterprise. He said that the revolutionary government is already hastily taking steps to expand the markets for our products and to find suppliers of the materials previously bought from the United States. The agricultural minister said that the effects of the embargo will be felt in the sugar and cotton industries because those sectors use many U.S.-made machines.

ORTEGA CONTINUES EUROPEAN TOUR, VIEWS EMBARGO

Details U.S. 'Invasion' Plans

PA061546 Managua Radio Sandino Network in Spanish 1200 GMT 6 May 85

[Text] Budapest -- The Nicaraguan people have the necessary morale and awareness to withstand the U.S. embargo for as long as necessary and survive, Nicaraguan President Daniel Ortega has said. In statements to PRELA and Hungarian television, Ortega Saavedra spoke of the bravery demonstrated by the Nicaraguan people throughout history. On three occasions they resisted and repelled U.S. interventionist forces, he said, the most recent example being Augusto Cesar Sandino.

Regarding U.S. plans for a direct armed invasion, which would include 64,000 Marines (?who would control) Managua, the Sandinist leader said that these are mechanical calculations with propagandist aims. Sandino, under difficult conditions, resisted the invaders, who were forced to withdraw. Today conditions have changed, they have improved, because we have an organized, armed people whose strength is increased with each aggression and with adversity, he said. Ortega has been in Hungary since Saturday, 4 May, on an official working visit. He said that the military invasion plan includes massive bombing of Managua and other Nicaraguan cities. Also coming, supposedly to destroy the country's center of defense, would be airborne troops who would arrive by sea to occupy the capital. These mechanical calculations have led them to great historical failures and to underestimate their opponents, Ortega said. If social and political factors were not taken into account, revolutions would not prosper, Ortega said. When the Sandinist revolution won, he added, we had only 1,500 poorly armed men. We did not have airplanes or tanks, and the Somoza regime had all of that and 15,000 to 20,000 well armed men.

The Nicaraguan president said that the new aggressive steps by the Reagan administration signal its determination to destroy the Sandinist revolution. This is even more true since the plan to grant $14 million to the counterrevolutionaries was rejected by the U.S. Congress and public opinion. Ortega rejected the U.S. accusation that Nicaragua is the source of subversion in Central America, because, he reiterated, this is the excuse the United States uses to implement an aggressive policy against our country and to justify its open intervention in the region. We will never tire of saying, Ortega added, that when the FSLN struggled against Anastasio Somoza the Salvadoran rebels already had an organized and well equipped army. Furthermore, even if Sandinism had not succeeded, the rebel struggle in El Salvador would have continued. This does not mean that we are not solidary with the Salvadoran rebels or that we do not support their efforts to find a political solution through dialogue. However, he said, the United States fears the example set by Nicaragua.

Reviewing his brief stay in Hungary, the Nicaraguan president said that during his talks with President Pal Losonczi and Karoly Nemeth, vice secretary general of the Hungarian Socialist Workers Party, they rejected the U.S. policies and supported peace efforts for Central America and the world. They said that Hungary has made brotherly efforts to broaden cooperation with Nicaragua, and Ortega expressed gratitude for this support.

Stopover in Spain Announced

AU061955 Paris AFP in English 1951 GMT 6 May 85

[Excerpt] Madrid, May 6 (AFP) -- The leader of Nicaragua's left wing government, Daniel Ortega, who is currently on a tour of Eastern Europe, will make a stopover in Spain on his return to Managua, government spokesman Eduardo Sotillos said here today. The announcement came as U.S. President Ronald Reagan, who has ordered a trade embargo against Nicaragua due to take effect from tomorrow, arrived in Spain for a 48-hour official visit. The situation in Central America and the trade embargo were among the subjects discussed by Spanish Prime Minister Felipe Gonzalez and President Reagan in a scheduled 30-minute meeting tonight. Mr Sotillos said the Sandinist chief's visit would "probably be before the end of the week," although he did not say how long it would last.

Romania, Hungary Visits

For reportage on the visit of President Daniel Ortega to the Socialist Republic of Romania and the Hungarian People's Republic, see the Romania and Hungary sections of the 3 May Eastern Europe DAILY REPORT and subsequent issues.

C.R. RODRIGUEZ LEADS DELEGATION TO MOSCOW

FL061225 Havana Television Service in Spanish 1100 GMT 6 May 85

[Text] A delegation representing the Cuban party and government in the festivities marking the 40th anniversary of the victory over fascism in Moscow on 8 and 9 May left yesterday. Carlos Rafael Rodriguez, member of the Politburo and vice president of the Council of Ministers, is leading the delegation. The delegation will also participate in activities commemorating the 25th anniversary of the reestablishment of relations between Cuba and the Soviet Union, which will be held tomorrow, Tuesday.

VICE FOREIGN MINISTER TORRAS VISITS CHINA

For coverage of Vice Minister of Foreign Relations Pelegrin Torras to the PRC, see the 6 May issue of the International Affairs section of the China DAILY REPORT and subsequent issues.

INCREASED TENSION VIEWED IN U.S.-MEXICAN RELATIONS

PA060002 Havana International Service in Spanish 0000 GMT 4 May 85

[Report by PRELA correspondent in Mexico Juan Roberto Loforte]

[Text] Strong pressure by the U.S. Government in its efforts to make Mexico change its foreign policy, and the latter's firm position to maintain its policy, contrary to Washington's interests, have increased tension in the two countries' relations.

Senator Gonzalo Martinez Corbala, member of the Mexican Senate's Foreign Relations Committee, feels that relations between Mexico and the United States are more tense today than in 1938, when President Lazaro Cardenas nationalized Mexican oil, which until then was in the hands of U.S. multinationals. In that respect, another senator, Heladio Ramirez Lopez, said that increased tension evident along the Mexico-U.S. border cannot be concealed.

The chairman of the tourism committee of the Chamber of Deputies, Rafael Oceguera, insisted that the U.S. Government is engaged in an undeclared war against Mexico to force the regime of Miguel de la Madrid to change its foreign policy, thus radically upsetting the national political project. However, it is clear that Mexico consistently refuses to align its foreign line with the interests of the Reagan administration. Mexico's position in the Contadora Group, continuously boycotted by Washington and its Central American allies, its relentless international efforts toward disarmament and ending the arms race, its continued good relations with Nicaragua, harassed and attacked by the Reagan administration, are only some of the foreign policy differences between the two neighboring countries.

U.S. VENCEREMOS BRIGADE FINISHES WORK PROJECTS

FL010117 Havana Television Service in Spanish 0000 GMT 1 May 85

[Text] The 16th contingent of the Venceremos Brigade, which is visiting our country, today finished its agricultural and construction work. The 154 brigade members from 10 regions of the United States contributed 2,300 pesos to the Cuban economy by harvesting potatoes and building social projects, which are part of the Alquizar Farming Enterprise's production plan. Pioneers in Alquizar, Havana Province, hosted an activity for members of the Venceremos Brigade.

BARBADOS

TULL SAYS GOVERNMENT DISAGREES WITH U.S. EMBARGO

FL061034 Bridgetown CANA in English 1350 GMT 5 May 85

[Text] Bridgetown, Barbados, May 5, CANA -- Barbados Foreign Minister Louis Tull says the island disagrees with the American trade embargo against Nicaragua. We don't favour any form of economic pressure against a developing state, Tull told the SUNDAY SUN newspaper. President Reagan announced the embargo on Wednesday, saying the leftist Sandinist government threatened U.S. security by trying to subvert its neighbours. But Tull said the move could be counter-productive. The trade embargo may only harden the resolve of the Sandinists and drive them irrevocably away from reasoned thoughts in their dealings not only with the United States, but with non-socialist states of this hemisphere. We believe that there should be other ways of dealing with such problems in the international community. This kind of pressure puts an intolerable burden on the innocent people in the community. Tull said his government believed all the diplomatic channels for resolving the Central American problem had not been exhausted. The countries of Central America, the Contadora Group, have come up with what we consider a workable solution to the problems in Central America and we feel that the Contadora plans should be given a chance to work, Tull said. He added that there was a possibility that the Nicaraguan issue will be discussed at a meeting of Caribbean Community (Caricom) foreign ministers in St Kitts this week. One Caricom member, Belize, has already criticised the American embargo as ill-conceived and unjustified. Said Tull: The Caricom states have all given solid support to the Contadora process as being the most useful initiative so far to solve the problem. They may very well feel that the action of the United States in applying economic sanctions at this time is premature.

'FRIENDS OF NICARAGUA' PICKET U.S. EMBASSY

FL041744 Bridgetown CANA in English 1648 GMT 4 May 85

[Text] Bridgetown, Barbados, May 4, CANA -- Less than a dozen placard-bearing leftist sympathisers today picketed the United States Embassy here in protest against the American trade embargo against Nicaragua announced this week. The picket was organised by a two-month-old solidarity group, Friends of Nicaragua, and was supported by the small Barbados Industrial and General Workers Union (BIGWU) and the newly-launched Marxist Workers' Party of Barbados (WPB). The demonstration today is part of the ongoing work of the Friends of Nicaragua to inform the Barbadian people about the very nefarious and wicked actions of the United States against the free people of Nicaragua, said the chairperson of the group, journalist Norman Faria. U.S. President Ronald Reagan last Wednesday ordered the embargo against the pro-Moscow Sandinist regime in Nicaragua, which he accuses of exporting armed insurrection, terrorism and subversion.

GRENADA

PRIME MINISTER ADDRESSES PARLIAMENT ON ECONOMY

FL291834 Bridgetown CANA in English 1813 GMT 29 Apr 85

[Text] St. George's, Grenada, April 29, CANA -- Prime Minister Herbert Blaize has said that he is optimistic about the Grenada economy in 1985 surpassing the one percent growth recorded last year. Addressing parliament, he said such sectors as construction, tourism, utilities, industry and service were expected to improve on their 1984 performance. But he warned that the key agriculture sector is not projected to perform better than it did in 1984, with a decline in production expected for such export crops as cocoa and nutmegs. Bananas are the only crop expected to avoid the downward trend.

He told Parliament Friday there is expected to be an upward trend in imports as the need for construction materials and raw materials for industry increases. He said checks with construction firms indicate that, unlike 1984, a general mood of optimism prevails as orders for new construction materials rise. He reported a 100 percent increase in the number of applications and approaches made to the government's land development control authority by persons wanting to do business.

Blaize said that earnings are not projected to rise significantly over last year since prices and output are expected to remain in a depressed state in 1985. Earnings from nutmegs, bananas, and cocoa already project deficits during the coming year, and production is not expected to normalize, either, he said.

The prime minister said that if rainfall remains stable in 1985, domestic agricultural production is expected to rise. However, he indicated that during this year the general price level of the chief export crops would largely be influenced by trends in the global economy and that a continuation of the downward trend could result in the industry remaining in a depressed state.

The extent to which international downward movements in prices reflect in the local economy would also depend on the degree of market switching that is done by main importers (of agricultural products), Blaize said. He added that the anticipated increase in banana production is expected from the first one hundred acres of fruit from a rehabilitation programme funded by the British Development Division in the Caribbean, which should come onstream here in the latter half of the year.

In the area of tourism, Blaize said this sector is expected to show an improved performance over last year, with stay-over visitor arrivals projected to increase by 15 percent, thus raising the level of earnings to around 50 million dollars (one EC dollar: 37 cents U.S.). Cruise ship passenger arrivals in 1985 are anticipated to double the figures for last year, with bookings up to the end of March already surpassing the 1984 figures.

Prime Minister Blaize also indicated that an additional 150 new hotel rooms would be coming onstream towards the end of the year, when the government-owned Grenada Beach Hotel is made available for commercial use for the winter tourist season. American military personnel who have been using the hotel as their headquarters since the October 1983 U.S.-led invasion are scheduled to complete their withdrawal from the island by September.

On manufacturing, Blaize said that unless solutions are found this year to complaints from entrepreneurs in the industry about such things as a lack of credit and inadequate market access for their goods, there would be just marginal growth in this area. He felt that a shortage of credit should not be a problem as there is much liquidity in the banking system in Grenada. But he pointed out that whether manufacturers choose to seek credit will depend on the demand for their products on the overseas markets, particularly the United States. He went on: It is expected that the garment industry should see some improvements in 1985 as manufacturers firm up orders to take advantage of the opportunities available under the Caribbean Basin Initiative (CBI) programme.

On industrial development, which is expected to be one of the major planks of his government's economic improvement thrust, Blaize said at least three projects have been scheduled to begin this year, with a projected capital expenditure of over 62.5 million dollars. These projects cover garments and hotel construction and offer some 300 permanent job opportunities for Grenadians on completion, Blaize remarked. Although the trend in industrial development is positive in terms of the number of applications for concessions, it is too early to predict the overall impact through 1985 as most investors are still finalizing their financial requirements.